Excessive Taxation-Nemesis of Canadian Prosperity

Largest Circulation of Any Canadian Financial Paper

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining News Department Page 12

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, DECEMBER 12, 1931 | 10c a Copy; $5.00 a Year | No. 50

The Nation's Business

Banks May End Excessive Loans by Governments
Federal Government Also Has Large Responsibility
Canada Toying With Inflation

Financial Situation of Our Governments

NOW that Canadians have met the immediate financial needs of the Dominion Government by over-subscribing the national service loan, the Federal Government owes such patriotic action a return in the shape of efficient administration.

The provinces and municipalities share in the proceeds of the loan—directly and indirectly—and they too must achieve greater efficiency in their affairs. Give us efficiency and economy will follow.

Practically every walk of life (but private business more than public business) is making its contribution to lower costs of production in Canada, such contribution taking the form of lower prices, reduced rents, salary and wage cuts, and the elimination of extravagance and luxury. In respect to salary and wage cuts, civil service lists and railway labor are the laggards, even though any salary cuts suggested for these classes of workers fall short even of paralleling the decline in living costs the decline in salaries and wages in private business.

* * *

ONTARIO apparently is going to give some lead in the matter of bringing governmental costs into line in Canada. The announcement that the province will cut expenditures by ten per cent next year and thus save the taxpayers more than $5,000,000 is cheering news. It is evident that the wave of resentment against governmental extravagance that has been sweeping the country has penetrated to the understanding of Ontario's cabinet officers. The Ontario plan of a flat 10 per cent reduction all around will help to meet the temporary situation, but it will provide no permanent cure to the serious problem of the Tax Racket, the Nemesis of Canadian prosperity.

Merely maintaining governmental services where they are and attempting to operate them at slightly lower cost is nibbling at the problem. There are two chief causes for our high level of taxation in Canada. One is the fact that governmental activities are not carried on efficiently. There is extravagance and, in some directions, even graft, but the second and most important one is that the governments have assumed functions far beyond the proper sphere of activity of public bodies. We have socialized our governmental activities to an extent that might make one wonder how much further we have to go before we will have completely communized our social and economic life.

* * *

WE HAVE been attempting to soak the rich to provide prosperity for those who are either less fortunate or less ambitious. We have been attempting to put the ant and the grasshopper on the same social and economic plane. We have tried by government to make every person in Canada and every part of the country equally prosperous when in the long run individual effort is the only thing that can accomplish such a task. We have substituted government care for individual reliance. There has been a feeling that the man on the street has escaped the tax burden although he has shared in the benefits of the money spent. Those who hold this view overlook the fact that ultimately taxes must be reflected in the prices of goods and services. The country as a whole pays the bill in one form or another. No individual in Canada escapes his share of the tax burden.

Governments—federal, provincial and municipal—should be setting an example of economy to the people of Canada. As a matter of fact the people, in their business and private activities have instituted more economical spending than ever before, but they have failed to get co-operation in their efforts from their governments.

* * *

THERE is some hope in the situation. One finds a bit of sunshine in the bank statement for October just issued. Canadian chartered banks had loans outstanding to province and municipalities, at October 31, of $152,000,000, an increase of $4,000,000 for the month and $38,000,000 for the year.

The banks and the Dominion government have been financing the provinces and the municipalities. The banks have, The Financial Post learns, tacitly decided to call a halt. Provinces and municipalities will find it difficult to obtain bank loans in anticipation of financing at some uncertain future date.

If the provinces and municipalities are unable to sell their bonds and if they cannot obtain bank accommodation for capital expenditures that can be avoided they have but one recourse; to put an end to all new ventures and capital expenditures.

* * *

THE new policy of the banks has not been declared publicly but what the banks think of the

(Continued on page 2, col. 5)

PLANS AFOOT FOR MERGER IN OIL FIELD

Turner Valley Operators Have Plan for Consolidation

MAJORITY APPROVE

Commission Would Have Power to Fix Ratio in Which Each Company Would Participate

Coincident with plans of the Alberta government to inaugurate conservation measures in the Turner Valley gas and oil field, leaders among respective operators have been active in an effort to merge all the present and potential producers into one large company in order that the field may be operated as a unit at maximum efficiency and that further development may be carried on along the most economical lines.

While the plans are necessarily in the embryo state, it is known that between 60 and 70 per cent of the companies concerned have signified their willingness to become a party to the merger in the interests of conservation which will result in the ultimate profits accruing to all.

One Large Company

By the consolidation of all the companies into one large enterprise the individual companies would lose their identity, and such an action doubtless will be fought by many who do not have the real interest of the field at heart. To the promoters of some of these smaller companies it will mean the loss of their meal tickets.

It has been proposed to the Alberta government that a commission be appointed consisting of at least two recognized engineers as well as chartered accountants, to investigate and consider impartially the cases of the respective companies involved. To this end the data accumulated by the present com-

(Continued on page 2, col. 4)

Coming in The Post

This is always a period of feverish (but well organized) activity around the offices of The Financial Post. That now accepted authority on Canadian business data, The Financial Post Business Year Book is receiving its final editing. Statitics are being analyzed and brought up to the last minute. Artists are drawing charts and maps, and engravers are making cuts of them. Linotype and monotype machines are pouring forth a ceaseless stream of intelligently dissected statistics and facts on Canada. Presses have printed the covers and will shortly get to work on the inner pages. A few days after Christmas the Year Book will be ready for distribution. Business men all over Canada will be receiving the copies they have already ordered.

There are new features. One is we think, a knockout. It is something that people have been asking us for. It was easy to ask for but hard to supply. It took a lot of effort but finally we got what business men were demanding. It took months of work. We'll tell about it later.

The Year Book is like an automobile. Each year's model embodies all the good features of the previous year's showing with new refinements and new power.

Canada Dry Syrup Supplies New Field

Introduction into Canada of a concentrated syrup by Canada Dry Ginger Ale Inc., follows experiments carried on for some months in soda fountains of New York City. Results have been so favorable, even when the product has been sold under another name than Canada Dry, that an active campaign will be started shortly in New York with countrywide distribution to follow.

The new product is the result of experimental work done in the laboratory over a number of years and is expected to open a new field for the company without affecting sales of its bottled product. The syrup can be sold to, soda fountains and makes a drink that compares most favorably with the bottled ginger ale. Certain Toronto soda fountains this week offered Canada Dry made from this syrup, at 5 cents a glass.

CORTICELLI SILK SALES HOLD UP PROFITS LOWER

Keen Competition Leads to Reductions in Prices

From Our Own Correspondent

MONTREAL.—Though sales of Belding-Corticelli Ltd., were maintained at a relatively satisfactory level, low prices obtained for production and depreciated inventory values are likely to find reflection in profits for the fiscal year ended November 30, 1931. Competition in the silk industry continues to be very keen and there has been a tendency toward price-cutting in various divisions.

Belding's strong position in the trade, for it is the largest producer of silk threads in Canada, has enabled it to meet this competition with less difficulty than some of the smaller units in the industry which are more tangibly affected by the narrow margin of profit prevailing on silk goods.

Silk Hosiery Sales Hold

In its silk hosiery department Belding-Corticelli has maintained output at a high level in the past year. Sales volume was large but here again the vast amount of hosiery which is being placed on the market has cut down profits on this line to a relatively low point.

In exports, the company has felt the general unsettlement in world trade. Aggressive efforts to enlarge sales in outside markets have been made in recent years and a definite degree of success was attained before the last 12 months. However, some of the company's best export channels have been seriously affected by one thing and another. New Zealand, which was proving an encouraging buyer of silk goods, was practically shut off by the last trade treaty. Indications are that there will be an improvement in this area if the negotiations to be undertaken in the near future are successful. In Australia depreciated currency has also militated against sales whereas in recent years there had been a fair volume of export to that country.

Income accounts of Belding-

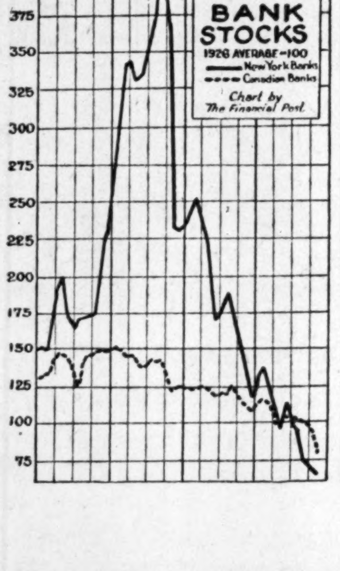
(Continued on page 2, col. 5)

Canadian Bank Stocks At 76 p. c. of 1926 Level

Stability of Canadian bank stocks as compared with those of U. S. banks is a feature of a new index prepared by the Index Number Institute of New York, which shows that Canadian bank stocks (included for the first time), experienced a far less sharp decline since establishing their high point in January, 1929, than those of U. S. banks and trust companies.

Canadian institutions whose stock movements are used in compiling the index are the banks of Montreal and Nova Scotia, and the Dominion, Imperial and Royal banks.

The index of prices of these securities is based on the average for



1926 as representing 100. The rise from this base was fairly regular up to April, 1928, when the index reached the level of 146.9. This was followed immediately by a sharp drop to 123.7 from which point it bounced up again to 145 before the end of that year on the way to its high of 150.7 in January, 1929.

Drop of 195 Points

New York bank stocks, starting from the same base, had in the same period risen to 271.3 and continued to advance until September, 1929, when the peak of 418.3 was reached. By the end of that year they had fallen precipitately to 223.6, thereby dropping nearly 195 points in the three months. The more orderly movement of Canadian bank stocks during the crash is well indicated by the fact that the index declined only 17 points in the same period and only 26 points from the peak reached 12 months earlier.

New York bank stocks have since declined from 236.2 in January, 1930, to 131.9 in January, 1931, and at November, last, the index stood at 66.3. The Canadian index, which was 126 in January, 1930, fell away gradually to 115 in the following January, and registered 76.1 in November, 1931, the decline being 50 points as against 170 points in the case of the N. Y. banks in the 23-month period.

At the present time, therefore, bank stocks have, as a whole, declined well below their 1926 level, but Canadian bank stocks have preserved a far greater degree of equilibrium than those of the United States and stand at present at a higher level with relation to the 1926 mark.

QUEBEC POWER CONSOLIDATING ALL OF ASSETS

Apply for Authority to Absorb Quebec Railway

TO CHANGE CHARTER

Effect of New Rates on Earnings Unknown — Maintain Common Dividend

From Our Own Correspondent

MONTREAL.—Final step in the consolidation of its various properties is seen in the action taken by Quebec Power Co. to have the provincial government determine its charter powers and, at the same time, give the company the right to purchase the assets and undertakings of Quebec Railway Light and Power Co. and of Quebec County Railway Co.

Over the last eighteen months Quebec Power has been steadily working on its programme of consolidation. It will be recalled that in June 1930 the charters of five of its subsidiary companies were surrendered and the assets of these concerns absorbed into the parent company. These subsidiaries included La Corp. d'Energie de Montmagny, Kamouraska Hydro-Electrique Ltee; La Compagne Electrique de Bellechase; La Compagne Electrique de Montmagny and Laurentian Power Co.

Last to Go

Following up this move Quebec Power Co. had remaining only one operating subsidiary—Quebec Railway, Light and Power Co. This subsidiary in turn controlled the Quebec County Railway.

Quebec Railway operates a water power plant with 5,600 h.p. capacity at Montmorency Falls; an electric light and power business; a railway system in Quebec; 17 miles of street railways in Quebec and 59 miles of suburban electric railway. The subsidiary, Quebec County Railway, operates four miles of track extending out of Quebec.

All of the capital stocks of these two companies is owned by Quebec Power. Quebec Railway has outstanding $750,000 of preferred and $2,500,000 of Common, while Quebec County Railway has issued $100,000 of common stock.

Want Charter Changes

Over and above the application for absorbing these subsidiary units, Quebec Power Co.'s action in asking the provincial government to confirm and amend its letter patent is viewed as being of more than routine in nature.

The present application asks the government to determine the company's powers in respect to the acquisition of property and rights; giving the company certain rights and privileges in the City of Quebec and in the counties where it is presently operating or is authorized to operate; and giving it the right to acquire properties by expropriation and for other purposes.

Disagreed on Rates

No details are available as to the extent of the new privileges requested or the purpose back of the application.

The most outstanding development in connection with Quebec Power Co.'s operations this year has been the dispute with the Quebec city authorities over the matter of rates.

A board of inquiry, appointed by the municipal council, investigated the rate situation in Quebec last year and reported that charges were too high. There was a difference of opinion on this, but in April the company submitted a proposal for reduced rates, bringing the charge on the first 60 k.w.h. consumption down to 3 cents per kilowatt hour net. The new rate was to have come into effect on May 1, but was deferred.

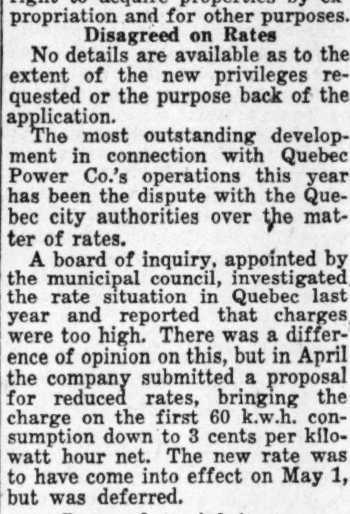
Prepared to Arbitrate

Toward the end of June the city refused the rates for electricity as proposed by the company and requested that the rates proposed by the "committee of citizens" be ac-

(Continued on page 2, col. 5)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of Dec. 8	36.6	35.4
Week of Dec. 1	37.6	34.9
Month of Dec., 1930	54.5	47.4
8 Bank Stocks		
Week of Dec. 8	216	216
Week of Dec. 1	216	216
Month of Dec., 1930	247	237
10 Public Utilities		
Week of Dec. 8	59	58
Week of Dec. 1	59	57
Month of Dec., 1930	84	75

OTTAWA SEES LITTLE CHANCE FOR ECONOMY

Government Policy Holds Out Little Hope of Curtailment

RUNNING BEHIND

Service Loans Cut Small Figure Beside Three Hundred Million Deficiency

From Our Own Correspondent

OTTAWA.—Despite the rising demand in the country for a balanced budget and drastic measures of economy, the Federal Government can hold out little hope of any real reduction in national expenditures during the coming year.

In private conversations ministers point to the general outcry which arose last spring when the Government endeavored to cut Federal appropriations by 20 per cent. Notwithstanding early storm signals, which appeared on all fronts, the Government held resolutely to that intention until the pressure from the various communities and organizations affected proved too great. The upshot was an inconsequential cut of three or four millions in a budget of nearly $400,000,000.

See $300,000,000 Shortage

The need of national economy today is, of course, much greater than then, but the forces which successfully resisted the Government last spring are still very much in evidence. As to the need of economy it is only necessary to point out that there will be a deficit on current account of nearly $100,000,000, plus expenditures for the Canadian National of $115,000,000; plus unemployment relief of $40,000,000; plus other small items running the total deficiency of the administration to perhaps $300,000,000. The National Service loan has prevented what would have been a crisis in Dominion finance, but it will only enable the Government to carry on for a few months and there must, inevitably, be another loan in the new year.

From the point of view of reducing expenditures, the position of the Government has been hopeless from the outset. The promises of the last election campaign could not be evaded. The main pre-occupation of the Government has been to minimize the increase. In this regard, yeoman efforts have been made, and despite public indignation, the Government has stuck to its guns. The unemployment relief policy has been curtailed, clipping at least $10,000,000 off the total confidently predicted six months ago. Measures are being taken to reduce the demands of the National railways. But on the all important phase of internal economy, the administration has failed to make any headway.

The opportunities, the Government feels, are strictly limited. While the Government spends $400,000,000 per year on current account, more than $120,000,000 goes for interest on debt. Another $50,000,000 is needed for war pensions and services. So there is left only $230,000,000 to pay all costs of Government. Deduct provincial subsidies, freight rate subventions, such as the Maritime Freight rate reduction, Old Age Pensions and the total falls below $200,000,000.

Provinces Ask Pensions

To escape these charges—pensions and freight rate subventions—is regarded here as being entirely impossible. The reasons, of course, are purely political. In fact the Dominion has tried to stall off the increase in the Federal treasury's share of Old Age Pensions, but the provinces are insisting upon immediate action, and their views will prevail.

While the Government has done something to restrict the increase in expenditures, this gain to the taxpayers has been, in part, destroyed by the inability to enforce economy in the ordinary business of Government. The statistics on the civil service, just issued, show that the personnel which stood at 44,175 in 1930 increased to 45,581 in 1931, or an increase of 1,406 persons. The cost of the service rose from $67,178,198 in 1930 to $70,196,311 in 1931. And these figures do not take into account the number and wages of non-enumerated classes. All told, the cost of the service in 1930 was $90,808,425 and this year $94,310,983. This addition of $3,500,000 is just one of the important reasons why the Government is unable to make headway with economy. All of these additional 1,400 employees must be housed, must work, and the only explanation is that Governmental activities continue to increase, rather than diminish. Considering that in 1912, there were only 20,016 civil servants and the expenses but $18,000,000 the seriousness of the problem becomes apparent.

Yet while economy seems to be regarded in Ottawa as impossible the administration is up against the problem of making ends meet. A national budget which fails to balance by hundreds of millions is not to be regarded with enthusiasm in a country of ten millions of people. The administration realizes this, and, beyond doubt, a real effort will be made in the coming budget to draw the two ends—income and outgo—closer together.

Consider Turnover Tax

The state of the revenues, coupled with the fact that high tariff imposed under the Canada First policy has crippled the income from customs duties, makes a reconstruction of the Federal tax structure ines-

(Continued on page 2, col. 6)

High Taxes Now Delay Return of Prosperity

Canada Must Cut Its Costs in Both Private and Public Business If It Is to Seize Prosperity When It Comes

By FLOYD S. CHALMERS

THE average citizen in Canada today gets more service, more loving care, more paternal watching, more attention from Government every minute of the day than he ever had before.

But there is a catch in this. Mr. Citizen may get bigger and better government but he also gets bigger but hardly any better tax bills.

Evidence multiplies that we are overgoverned in Canada. There is not only too much government in business but there is too much government in our daily life. Unfortunately there is not enough business in government and as a result we find that what we have thought all along was just government is turning into bureaucracy. Every seventh man you meet on the street works for some government institution or other. Every fifth dollar you earn—assuming you are Mr. Average Man—goes to the support of these institutions.

Over-Spending Has Brought us to Crisis

Over-government and our rising tax bills have brought us to a crisis in Canada. We have reached an important milestone in this progress of bureaucracy and over-taxation. We can either turn around and get back to the pre-war level of reason and sanity in governmental function or we can keep on slipping down hill to the ultimate objective of Socialism.

"Eliminate waste and make a profit" is the slogan of Canadian business at the present time. Many concerns, whose sales volume has fallen greatly, are nevertheless showing good earnings because they have been able, by careful budgeting and controlled spending, to cut their expenses. Our governments are not doing the same thing. During the first nine months of this year revenues of the Canadian Pacific Railway declined by $30,000,000. The railway cut its ordinary working expenses by $22,000,000. During the first seven months of the Dominion government's fiscal year its ordinary revenues declined by $36,000,000. But ordinary expenditures increased by $6,000,000. Some of the provinces and municipalities have an even worse record.

At the present time, almost every governmental organization in Canada faces a deficit in its accounts for the current year with little prospect of breaking even next year. It is a very illuminating comment upon the manner in which the political mind works that a great deal of attention is being given to ways and means of raising money by borrowing and by new taxation and much less attention to the necessity for reduced expenditures.

Prices of practically everything are lower. The farmer whose wheat has dropped from $1.50 to 70 cents a bushel insists on buying his harrows, his work clothes, his wife's hats and his fertilizer at a price that 70 cent wheat will enable him to pay. To sell to the farmer the manufacturer has to get his costs down. Even when spending power is less there are always concerns that are able to keep their employees busy, to earn good profits and to pay dividends. These are the concerns whose watchword is efficiency, who have learned to battle against waste and extravagance.

Private Business Gets Down Its Costs

The key problem of private business is get down the costs, and this problem is being seriously tackled. The volume of production and trade in Canada is down but, on the average, our industries and merchants are doing about four-fifths as much business as they do in normal times. Every day goods are being produced and sold. A lot of business is being done. Somebody is getting it.

Business seems to decline of itself in response to world and local influences. But expenses never seem to decline automatically. They have to be forced down by relentless economy and efficiency. In some lines of business a very high percentage of expense is represented by items not easily controllable such as union wages, interest and taxes. In others the cost of doing business can be more readily cut. The firms that have curtailed their overhead and other expenses in line with the curtailment in their output or turnover are either breaking even or making money. Of course there are firms that have suffered no diminution in business. They are fortunate.

Through a vigorous campaign of cost cutting most concerns are reaching the position where they are now doing business at a profit. It may be a small profit but it is an indication that they have deflated their costs and have prepared the way to make excellent profits when the slightest upturn comes.

Efficiency Is Today's Measure of Success

In these days the measure of business success is not so much the profits that are being made as the efficiency that is being achieved. The profits will come later from that efficiency. This applies equally to finance, industry, commerce and agriculture.

Business men are going through their organizations plugging every leak, however small, cutting out frills and luxuries, reducing salaries and wages, rebuilding old machinery and in many cases installing new machinery to lower production costs—generally getting into fighting trim. The extent to which their efforts will be successful depends very considerably upon the general scale of taxation and the financial soundness of the country. Thus it is essential that all classes of governments in Canada set themselves to that same task of raising efficiency and reducing costs. Our governments, federal, provincial and municipal—are not pulling the oar with business men in this important and essential work of reducing our national costs of production.

To develop our national resources properly, to give the fullest measure of opportunity to every individual, to give ourselves a favorable balance of merchandise trade in order to meet the payments that we must make every year on our foreign indebtedness, we must be an efficient producing nation, we must put ourselves in a position to compete with any other country on the basis of cost just as much as on the basis of quality and good salesmanship.

The enemy of efficiency is waste. No young, exporting country can afford waste in any form. Countries are like individuals. The young man starting out in life must get value received for every dollar he spends. The young country must do the same.

Is Nemesis of Canadian Prosperity

The most serious source of waste in the Canadian economic scheme is in the extravagant and thoroughly unsound scale of governmental expenditures in Canada. Almost every government in Canada (and we have more than 4,000 of them) is living beyond its means, borrowing to pay for the luxuries of the present. We have gone on doing this ever since 1914. The war got us into bad habits and we have never gotten out of them. The situation has reached a crisis.

Today governmental spending is the Nemesis of Canadian Prosperity and it may be pointed out that Nemesis was the goddess not merely of chastisement but of retributive justice.

Today we face the absolute necessity of a complete overhauling of our governmental spending system. By that there is not implied

(Continued on page 3)

Few Dividend Worries For Life Shareholders

Although dividend day approaches for thousands of holders of Canadian life insurance company shares, there is little possibility or prospect of many, if any, of these dividends being passed according to a leading insurance company official interviewed by The Fiancial Post. So far only one company, namely Dominion Life, has passed a dividend to shareholders and all other dividends have been met promptly.

Shareholder dividends it must be remembered are quite apart from policyholder dividends and the amount paid out in this way is a mere bagatelle for most companies. Total payments by all federally-licensed life insurance companies (apart from mutuals) amounted to only about $3,000,000 in 1930 of which $1,500,000 was paid out by Sun Life Assurance.

Furthermore as outlined in The Financial Post of July 25, 1931, the "silent reserve" of shareholders, namely the moneys at credit of "non-participating surplus fund" amounted a year ago to $22,600,000, and in most cases this is ample to pay shareholder dividends for many years without any further credits from current operations.

The following list of Canadian life companies in which there is investment interest shows dividend dates, payments, and so forth, in each case:

Company	Rate	How Payable	Date of Last Payment	Date of Record	Next paym't due
Confed. Life	20% ($4)	Qu.	Sept. 30/31	Aug. 25	Dec. 31
Crown Life	$ 8.00	Ann.	Jan. 2/30	Dec. 31	Jan. 2
Canada Life	20.00	Qu.	Oct. 1/31	Sept. 30	Jan. 2
	10.00*	Ann.	Jan. 16/31	Jan. 16/31	......
Dominion Life	16.00	Qu.	June 30/31	......	Passed Sept. 30/31
Imperial Life	15.00	Qu.	Oct. 1/31	Sept. 30	Jan. 2/32
London Life	8.00	Qu.	Sept. 30/31	Sept. 20	Jan. 2
Manufact. Life†	10.00	S.-A.	July 2/31	June 30	Jan. 2
National Life	2.50	Qu.	Oct. 2/31	Sept. 17	Jan. 2
	1.25*	Ann.	Jan. 27/31		
Ont. Equit. Life	0.60	S.-A.	Aug. 1/31	July 15	Feb. 1
Sovereign Life	1.75	Ann.	Dec. 15/30	Dec. 1	Dec. 15
Sun Life	25.00	Qu.	Oct. 1/31	Sept. 15	Jan. 2

*An extra.
†5% stk. divd. paid July 2, 1930, record date June 30; not declared in 1931.

NO DEFAULTS BY PROVINCES OTTAWA RULES

Will Give Just Enough Help to Avoid Defalcation

PROBLEM DIFFICULT

Provincial Premiers Confer With Ottawa to Find Means of Meeting Obligations

From Our Own Correspondent

OTTAWA.—The debt position of the various provinces has been a source of worry to the Dominion Government ever since the dollar dropped below par, and while the Dominion has reached the conclusion, as a matter of general policy, that no defaults will be permitted to occur, the practical difficulties of giving aid are very great.

As Ottawa looks at the problem, two of the nine provinces are probably able to face the situation without fear—Ontario and Quebec. The others may need assistance if they are to weather the storm, but the occasion and the character of the assistance which will be given, are matters which will not be decided until a definite crisis arises. The Federal Government intends to do nothing that would tend to relieve provincial governments of their responsibilities.

There is the matter of finding gold with which the provinces can pay debt and interest maturities as occasion requires. The Federal Government, for the moment, has adopted a policy different to earlier forecasts, and this policy, undoubtedly, indicates the line which will be followed in approaching future problems of this kind.

Give Just Enough Help

The Dominion decided that any surplus gold at Ottawa—meaning surplus over currency and Government requirements—would be made available to the provinces at cost. When this decision was reached there was nearly $1,000,000 of surplus gold in the vaults, which had been bought when the dollar was at par. The Province of Alberta got the bulk of this surplus without paying any premium, and was able to settle debt maturities without additional cost in this way. Meantime, the Dominion arranged to buy in all gold produced in Canada, paying the full premium on the dollar. This premium payment, it seems, was usually less costly than if a Government went into the New York exchange market and bought American dollars, so that the provinces stood to gain by this arrangement. Last week, for example, gold was available at Ottawa for about 10 per cent premium, while, had any of the provinces been compelled to buy exchange, the cost would have been much greater.

This policy, of course, does not entirely relieve the provinces of the disabilities of the present situation. But it helps, and the Federal Government intends to give just the measure of assistance that may be necessary to keep the provinces solvent—to give that and no more.

Premiers Confer

In the past ten days, the provincial premiers have been in the capital conferring with Hon. E. N. Rhodes, acting minister of finance. Premier Brownlee was here last week. Premier Bracken is expected in a few days. These conferences afford an opportunity to discuss problems, to enable the Dominion to gauge the needs of the provinces. Decisions as to the future are not being made, and will not be until they become essential.

Investor's Index

INDUSTRIES, UTILITIES, ETC.

Ass. Tel. & Tel.	13	Dom. Rubber	10
Acadia Sugar	13	Gould Pumps	17
Bruck Silk	11	Gt. Lakes P.	10
Beatty Bros.	14	Gt. West Life	21
B. C. Power	4	Ganong Bros.	9
B. C. Telephone	9	Gatineau	9
B. Canadienne	15	Int. P. & P.	10
Beattie	24	Jam. Pub. Ser.	21
Bell Tel.	4	Loblaw	24
Coss. Oka Sand	9	Mont. Tram.	13
Canada Dry	1, 17	Milton Brick	9
Can. Ind. Alc.	2	Maritime Tel.	4
Can. Foundries	8	Mersey Paper	10
Can. Vickers	9	N. S. Light	4
Can. Nighthawk	9	Neon Prod.	11
Can. Cement	4	Nor'west Pr.	9
Can. Cottons	18	Ont. Power	9
Dom. Glass	13	Park Lane Corp.	5
Dom. Bridge	5, 9	Quebec Power	1
Dom. Steel	17	Sun Life	15
Dom. Royalty	22	Utilities Pr.	13
Dom. Life	15	Wpg. Elec.	14
		W. Koot. Pr.	4

MINES AND OILS

Abana	12	McMahon	12
Ashley Gold	12	Merland Oil	24
Ajax	24	Moss	12
Chibaugamau	12	Mining Corp.	12
Coniaurum	24	Noranda	12
Calmont Oil	9	Nipissing	24
Dome	12	Pandora	12
Falconbridge	12	Potter-Doal	24
Gold Banks	12	Paymaster	24
Hollinger	12	Premier	12
Howey	12	Scotia-Man.	9
Int. Nickel	12	Sullivan G.	12
Lakeland G.	12	Tashota	12
Leland Mines	12	Waite-Ack.	12
McIntyre	12		

QUOTATIONS

Bonds	16	Mines	17
Grain	17	Stocks	16

REGULAR DEPARTMENTS

Answers to Enquiries	9
Business	7
Banking	15
Editorial	6
Insurance	15
MMining	12, 24
Pulp and Paper	10
Utilities, Transportation	4

SPECIAL FEATURES

Foreign Government Bonds, Article 2 of a Series	11
Trucks vs. Railways—Final Article of a Series	13
Christmas Gift Supplement	13, 24

CAN. I. ALCOHOL BALANCE SHEET IS OVERHAULED

Heavy Deficit for Past Year Shown in Report

From Our Own Correspondent

MONTREAL.—A drastic reorganization of the company's financial and operating position is revealed in the financial statement of Canadian Industrial Alcohol for the fiscal year ended September 30, 1931. In his report to shareholders Rt. Hon. Lord Shaughnessey, president of the company, states that a policy of merging associated companies or closing down their plants has been undertaken during the year, a step which accounts for the wide changes in balance sheet position.

A clean sweep has been made in this respect with the result that total assets have been reduced from $20,197,492 to $13,820,301. The balance sheet has been amplified and different accounts segregated; the position of Canadian Industrial Alcohol is thus made more clear than has been the case in the past.

The sum of $4,710,511 has been written off shares in associated companies. This has been reduced by $1,084,071 representing their accumulated surpluses leaving a net charge off of $3,414,048. A provision in respect of amounts owing by associated companies amounting to $1,084,071 has also been written off.

Operating Loss Recorded

There was an operating loss for the year of $332,247 after providing $103,722 for depreciation. Various adjustments increased this loss to $504,129. But the heavy slashes in the company's structure become apparent in a deduction of $3,414,048 written off shares of associated companies. This sum also includes their accumulated surpluses of $1,296,462; the total write off before taking the surpluses into consideration was $4,710,511.

Then a sum of $1,084,071 has been provided in respect of amounts owing by associated companies; another indication that all subsidiaries and associated companies have been merged with the parent organization and their books set in order. After all these deductions Canadian Industrial Alcohol brought forward a debit balance of $3,041,070 into the current fiscal year.

Details of Income

	1931 $	1930 $
Operating loss	332,247	*523,770
Inventory adj.	102,672	......
Est. loss on contracts	35,000	......
Dividends	......	415,308
Int. on claim	34,210	......
Loss for year	504,129	*108,462
Add prev. surp.	1,961,178	2,096,058
Balance	1,457,049	2,204,520
Surpluses of former companies	......	1,296,463
Less: Amt. w/o shares in assoc. cos.	3,414,048	243,342
Prov. for amts. owing by assoc. cos.	1,084,071	......
Debit balance	3,041,070	3,257,641

* Profit.

The balance sheet has been clarified. Accounts receivable are shown for the first time and indicate the relatively low volume of the company's activity. Receivables total $75,634 from which is deducted a reserve for bad debts of $22,381 leaving a net total of $53,252. In former balance sheet accounts receivable have been lumped in with under the heading sundry debtors and debit balances including associated companies. In the previous year this item totalled $3,327,755.

Inventories are carried at $6,603,676 of which $6,164,212 comprise spirits at cost and barrels. This figure compares with $6,489,477 in the preceding year. Cash is lower by nearly $10,000 at $600.

Cut Down Advances

Amounts owing by associated companies as revalued by directors total $2,588,196 against which the reserve of $1,084,071 has been set up leaving a net total of $1,504,125. It is noted that the collectibility of these accounts, however, will be affected by results of court actions now awaiting decision.

The drastic write-offs made in connection with shares of associated companies is clearly set forth. These are now carried at $250,500 comprising Consolidated Distilleries $1, a similar amount for shares of Robert McNish, and $250,488 for shares of Canadian Industrial Alcohol Co. of Manitoba. Other investments at costs total $265,927. In the previous year shares in associated companies and other investments were carried at $5,056,879.

Goodwill is shown as a separate item for the first time being valued at $2,142,180. Fixed assets, including this sum, are lower by $154,000 at $5,159,105.

Bank Loans Higher

In liabilities, balance of Dominion Government sales tax claim totals $199,196 a drop of $258,000. Bank loans have increased by $407,000 to $2,688,100 while bank overdraft of $22,623 and notes payable of $195,103 make their first appearance.

Comments on Situation

In his remarks to shareholders Lord Shaugnessey, president of the company said in part:

"With respect to investments shares of and interest in associated companies were formed or purchased of this company to form or acquire subsidiary or associate companies for the purpose of having several brands in various markets, and to hold agencies to deal in imported wines and spirits. For some time after these companies were formed or purchased they had considerable earning powers, but as their activities and operations were later restricted as the result of changed legislation, and with the general depressed condition of the industry, their usefulness became very largely ineffective, and their operations unprofitable, and as a considerable saving in expenses could be effected by in some cases merging, and in others ceasing their operations, this policy has, during the course of the past year, been carried out. As the assets of certain of these companies included a considerable sum for goodwill, based in the main on their former earnings, your directors deemed it advisable to write down these investments to such an amount as would be considered to be a fair valuation of their current worth, exclusive of goodwill, trade-marks, etc."

MARKET QUIET AWAITING NEWS SOUTHERN CROP

Traditional Dullness of Christmas Season Prevails at Winnipeg

From Our Own Correspondent

WINNIPEG.—The wheat market is still overshadowed by the general financial situation, which creates a reluctance on the part of importers abroad to make advance commitments, and of traders on this side to undertake risks. There has been some accumulation of supplies from Russia and from the United States in Great Britain, in anticipation of duties, a fact which enables buying to be postponed to some extent. In addition the market is traditionally hesitant at this period of the year, a fact often attributed to the approach of the holiday season, but actually due to a desire to ascertain the results of crops in the Southern Hemisphere.

Argentine Prospects

Latest dispatches from the Argentine indicate probability of export supplies nearly as great as those of last year, in spite of a 20 per cent cut in acreage, on account of prospects for yields somewhat above the average. There is still possibility of extensive harvest damage from wet weather.

Chicago continues to lead Winnipeg so far as market moves are concerned, and the Winnipeg market fails to reflect the discount on the Canadian dollar to the extent that might be expected. Allowing for the difference in money values Winnipeg wheat is cheaper for all deliveries than Chicago, without taking into account anything for superior quality.

Durums At Premium

Premiums on Durum wheat had lately receded from their extreme highs, although No. 1 Durum is still worth about 12 cents a bushel, or 20 per cent, more than No. 1 Northern. Of Durums, or Macaroni wheats, there is no world surplus, but something close to a shortage mainly due to small production in the United States this year.

Argentine news is likely to be a factor of importance in the immediate future. Nothing new on the United States winter wheat crop is likely to develop for some time. With reduced acreage and with fall conditions unfavorable to some extent, estimates have been made that winter wheat production might be reduced by anything up to 350,000,000 bushels from 1931's record total, and the United States might be on a domestic basis so far as production in 1932 is concerned.

While farm board activities in the wheat market, it is considered in the trade, are not likely to be renewed, there is some apprehension that Congress may attempt some new plan to interfere with markets, such as an export debenture, now that farm board operations are everywhere admitted to have failed.

Joins Cockfield, Brown

J. W. G. CLARK

Has joined the Toronto executive staff of Cockfield, Brown & Co., advertising agency, effective December 1. He was formerly vice-president of Geo. H. MacDonald Limited, advertising agency, Toronto.

PLANS AFOOT FOR MERGER IN OIL FIELD

(Continued from page 1)

mittee investigating the proration problem, could serve as a basis for fixing the extent the respective companies would participate in the merger. It has been suggested that the new consolidated company have a capitalization of 1,000,000 shares. These shares would be exchanged for the shares of the respective companies concerned in the ratio determined by the commission.

A consolidation of the Turner Valley properties into one company has long been recognized by those who have given careful study to the situation, as the most logical and profitable manner to develop the field. A step in this direction was made by the Imperial Oil by acquiring a controlling interest in some of the more important companies. This was effective in controlling offset drilling to a marked extent and its holdings which are by far the greatest in the Valley, have not been subjected to the orgy of drilling that has been evident in other sections of the field.

A merger during the past three years would have been almost impossible to effect, as during that time the boom was at its height and the values set by the respective companies on their properties were prohibitive. The coming of the economic depression with a declining market and a lower price for such a volatile product as crude naphtha, had the effect of curbing drilling operations, and bringing producers to realize that Turner Valley was essentially a gas field. Also the crude naphtha production was incidental to and recovered at the expense of an immense waste of gas. Except for the small volume marketed the gas was burned in the field.

The Alberta government, realizing that if a great natural resource was to be preserved, steps must be taken to limit this gas waste. They set about impartially and scientifically to determine the proration of production permitted from the various operators in the field, but this task met with many snags and, as was expected, brought heaps of objections from the parties concerned. Investigation is still being conducted to determine the potentialities of the various properties and this investigation will form a pending.

Doubtless the findings of any commission would not be acceptable to the officials of some of the companies and it will be their prerogative to refuse to become a party to the merger. It will likewise be in the power of the Alberta Government to prohibit the waste of gas from which the production is obtained, which would effectually curb production won by these insurgents at the expense of the general plan the of merger-conservation.

CORTICELLI SILK SALES HOLD UP PROFITS LOWER

(Continued from page 1)

Corticelli in 1929 and 1930 included definite sums earmarked for trade development in export markets. In the year ended November 30, 1929, there was $35,000 set aside for this account and in the succeeding year another $5,000 was added. Other shipments are made to South Africa and the West Indies.

Whether earnings will be sufficient to cover dividend requirements on the common stock in the last fiscal year cannot be determined as yet. While profits are reported as lower there is also the question of inventory valuations which may result in further reduction in earnings.

Raw Silk Market Steadier

Raw silk showed an appreciable decline in the past 12 months though recently there has been a stronger feeling apparent in the market. In the previous year inventories were shown at $452,484 a reduction of $47,000 from 1929 which in turn was nearly $200,000 lower than figures reported in 1926.

In the year ended November 30, 1930, earnings of Belding-Corticelli were equal to $8.08 a share on the common stock, on which dividends of $7 a share are presently maintained. In the previous period, which incidentally was the best to be recorded by the company, share earnings were $15.09.

Not Aided By Tariff

Paradoxically, the tariff changes made in the last budget adversely affected the company. Officials claim that duties were placed on raw materials without any increased protection being afforded to the finished products since imports of silk are presently governed by the French Treaty. It is expected that some relief in this matter may be effected within the next year.

An indication of the competition which exists in the Canadian silk industry may be gleaned from a glance at statistics. The year 1930 saw new production records established with total output valued at $17,808,598 compared with $14,476,080 in 1929. During last year there was a net gain of two plants, leaving the total at 25.

Production Gains Rapidly

The remarkable progress of the industry, however, is reflected in figures covering a 12-year period. Since 1917 the number of establishments increased by 178 per cent, capital invested by 1,272 per cent, employees by 554 per cent and gross value of products by 651 per cent. These figures include artificial as well as real silk activities since the two divisions of the industry are not segregated in the government reports.

Throughout this wide growth Belding-Corticelli has kept its place. Formed in 1911 the company has made steady progress in the past decade. The first ten years of the company's corporate life witnessed the deferment of preferred dividends for three years and the liquidation of these arrears in four succeeding years. Disbursements on the common were inaugurated in 1923 at the rate of 2 per cent and were gradually increased to their present rate of 7 per cent in 1928.

QUEBEC POWER CONSOLIDATING ALL OF ASSETS

(Continued from page 1)

cepted. This was refused by the company and it was proposed that the dispute be settled by arbitration before the Public Service Commission.

A Voluntary Reduction

On July 1 the company voluntary reduced its rates to consumers, the extent of the cut not being disclosed. At the time it was said that the new rates were temporary pending the suggested arbitration before the Commission.

No statement has been issued by Quebec Power on its earnings for the current year. It is unofficially understood that net income has been sufficient to maintain the present dividend rate of $2.50 a share on the 553,198 shares of no par value outstanding common stock, of which Shawinigan Water and Power Co. owns over 54 per cent.

Share earnings last year amounted to $2.95. This was 23 cents a share better than in the preceeding year.

NATION'S BUSINESS

(Continued from page 1)

question of governmental costs may well be understood from the remarks of Sir Charles Gordon, president of the Bank of Montreal, and Jackson Dodds, general manager, at the annual meeting of the bank this week. Sir Charles said:

". . . . governments and municipalities in this country will have to lean on domestic borrowings for their needs. The situation gives added emphasis to the necessity of our administrative authorities limiting their borrowings to essentials and keeping their outlays for relief purposes at as low a figure as is compatible with the strict requirements of the occasion. The success of the Dominion Government's National Service Loan has been a splendid testimony to the patriotism and confidence of the Canadian people. I would like to warn provincial and municipal authorities, however, not to presume too largely on the continuance of this spirit, for any extravagance in expenditure, under the excuse of unemployment relief, must call for corresponding appeals for loans which might not be forthcoming with any such readiness as has just been shown."

Mr. Dodds spoke equally to the point when he said:

"The situation can only be aggravated by continuing to pile up more and more federal, provincial and municipal debts. Individuals who appreciate the need for economy in their own expenditures and are striving to get out of debt are too prone, paradoxically, to condone and encourage public outlays of borrowed money, ignoring the fact that it must in the end be repaid by themselves. There is a definite limit beyond which public expenditure cannot proceed with safety, even when the object is to create temporary employment. In this country that limit is now in sight. A halt must be called to mounting expenditures — indeed has been called in some cases. The burden of taxation eats up capital resources, saps energy and enterprise, and creates still further unemployment."

* * *

IF WE are to have any regard in Canada for the value of the Canadian dollar, excessive government spending must be checked. This means not only spending by the Dominion Government but by municipal and provincial governments as well. In their financial effects, excesses are the same, no matter by what authority they are committed. Expenditures of all three rest upon the same taxpayer as base. Their borrowings come out of a common fund, available for investment in governmental securities. Their finances are tied together by a complicated system of inter-governmental grants, subsidies and assistances. And at the moment they are even more than ordinarily tied together by circumstances that make both municipal and provincial finance depend directly upon machinery of the Dominion Government. Proceeds of the Dominion Government loan just floated will be used largely in the financing of both provinces and municipalities.

* * *

WHEN government wants money its first recourse is taxation. Taxation exhausted, it can resort to borrowing. When borrowing reaches its limit there is the simple expedient of manufacturing money to be resorted to, an expedient as easy to adopt as it is dangerous. Like a toboggan, it can give a swift and merry ride, like a toboggan it is difficult to quit until the bottom is reached, and like the toboggan it provides a long way to climb back. An early expedient in manufacturing more money was called debasing the coinage, and the practice was held in disrepute. It is more modern to speak of revaluation or reestablishment. The cruder methods at one time employed in printing French assignats, American Continental currency, Russian rubles and German marks are not so well thought of as formerly, because of difficulties which subsequently arose. Slightly less direct methods, commonly referred to as inflation are more in favor.

In Canada we may think we are merely toying with the toboggan, or taking a practice ride down a little hill, but warnings are to be seen of a dizzy slope ahead, which it might be well to note if we wish to avoid a breath taking ride. For one thing there is the current exchange situation and the discount abroad upon the Canadian dollar. Temporary dislocation of exchange can easily take place as an incident of international commerce. But a serious and continued discount should make us wonder whether it is only in the United States that the Canadian dollar is no longer worth what it was, and whether we are doing anything to debase it at home.

* * *

IT IS easy for any government in the world to excuse itself for present difficulties by pointing to the financial difficulties of practically every other government in the world. Excuses for the past may be readily enough accepted, and people living in a mad world are not to be blamed if they suffered a little from the common malady. But no government is going to get itself out of its present difficulties by contemplating the troubles of others, and there are difficult times ahead for any government that cannot find how to adjust its spending to its income.

Our problem in Canada is the more difficult because of the distribution of spending powers among so many different authorities in proportion to the population. But actual conditions place it within the power of the Dominion Government not only to set an example, but largely to control what is done by provinces and municipalities. If the Dominion Government demands economy, directly and through the banks, on the part of other spending authorities in Canada, it is in a position to enforce its demands.

Premier Bennett, on his return to Canada, will find himself charged with a larger responsibility in this connection than either he or any one else previously contemplated for him. Let us hope that the common sense of the people of Canada will make it easy for him to exercise that responsibility.

OTTAWA SEES LITTLE CHANCE FOR ECONOMY

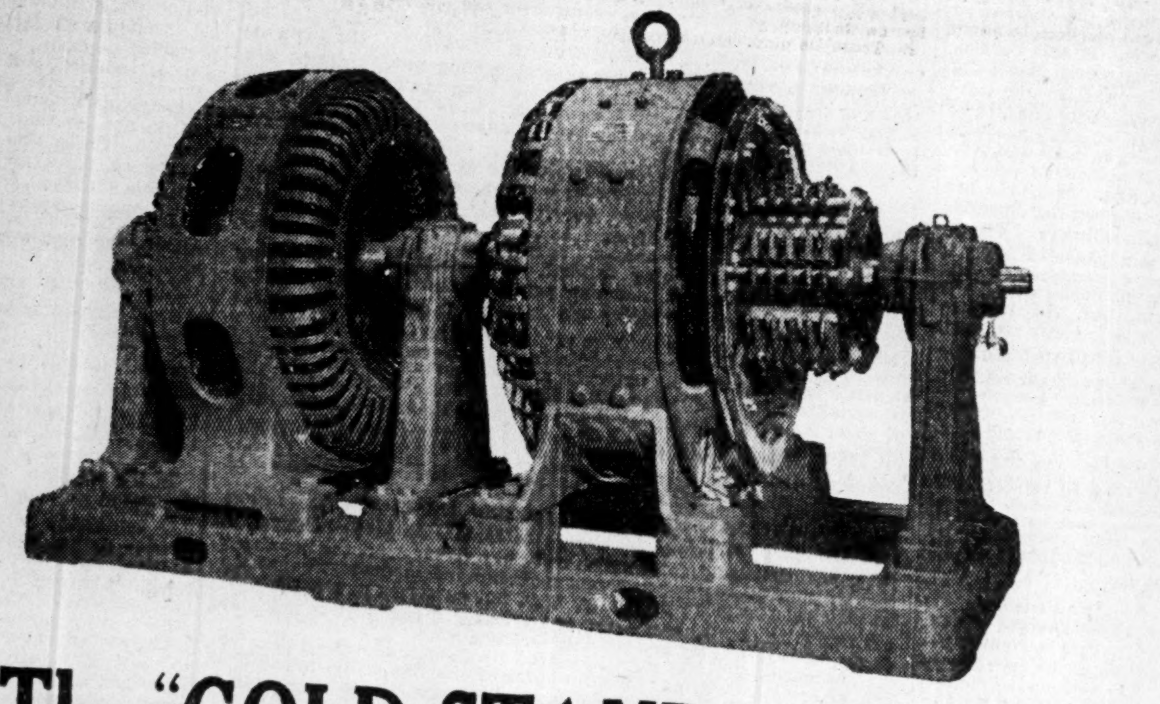
(Continued from page 1)

capable. The sales tax has failed to yield the revenues expected of it. Would a turnover tax do better? This is the explanation of the persistent rumors, prior to Mr. Bennett's holiday, that the turnover tax might be revived, and enacted at the forthcoming session. The situation, however, has been modified by the selection of Hon. E. N. Rhodes as acting-minister of finance. He will almost certainly be made permanent, and he is known to sympathize in matters of taxation with the views of the business community. But, if not a turnover tax, what other additional source of revenue can be tapped? This is the problem which will haunt the minds of ministers between now and budget day.

Economy will be practised, but only to a limited extent. Removal of subventions, of Old Age Pensions, wheat bonuses and the like is not to be expected.

Pupils Cost $66 Each

The schools and colleges of Canada reach, roughly, one quarter of the country's population and are attended by 2,490,623 pupils, according to a report of the Dominion Bureau of Statistics. Each pupil involves an expenditure of $66, the total cost being $165,000,000. An instructional staff of 83,144 teachers supervise the educational requirements of the country.



The "GOLD STANDARD" of ELECTRICAL EQUIPMENT FOR MINES

JUST as the grade of gold quartz governs the value of the deposit, so the quality of the electrical equipment you purchase determines its actual value to you, for quality of materials, workmanship and design is your assurance of efficiency and economy. Westinghouse electrical equipment for mines offers you the utmost in value for your dollar. It is built to render long and satisfactory service under every exacting condition imposed by the mining industry.

Check these facts against the actual service records of Westinghouse equipment already installed in hundreds of mines across Canada. You will be convinced that it pays to insist on the Westinghouse "Gold Standard" of value. In addition, you will have at your disposal the unexcelled facilities of a coast to coast chain of service and repair shops.

WESTINGHOUSE serves the mining industry with every type of electrical equipment including: Transformers, Circuit Breakers, Sub-stations, Motors for hoists, Compressors, Pumps, etc.

CANADIAN WESTINGHOUSE CO. LTD.
HAMILTON - CANADA
Branch Offices and Repair Shops in all Principal Cities

Westinghouse

World-wide

With more than 650 Branches in Canada and Newfoundland, with offices in the financial centres of Great Britain, the United States, France and Mexico, and with bank correspondents everywhere, the Bank of Montreal is world-wide in its scope and operations.

BANK OF MONTREAL
Established 1817
TOTAL ASSETS IN EXCESS OF $750,000,000

ABSOLUTE
FIRE PROTECTION that costs you NOTHING
BENNETT AND WRIGHT
Automatic Sprinklers

Besides giving you absolute fire protection, Bennett and Wright Automatic Sprinkler installations also effect a saving.

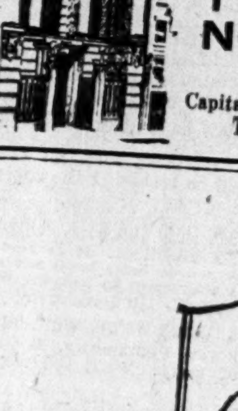
Your sprinkler system will cost you nothing. It's initial cost is quickly paid for by the savings of 50 to 80% reduction in premiums, after that it is an investment producing huge dividends.

BENNETT AND WRIGHT LIMITED
72 Queen St. E. Toronto, Ont. 286 King St., London, Ont.

READ THIS WEEK "The Nation's Business" on page 1

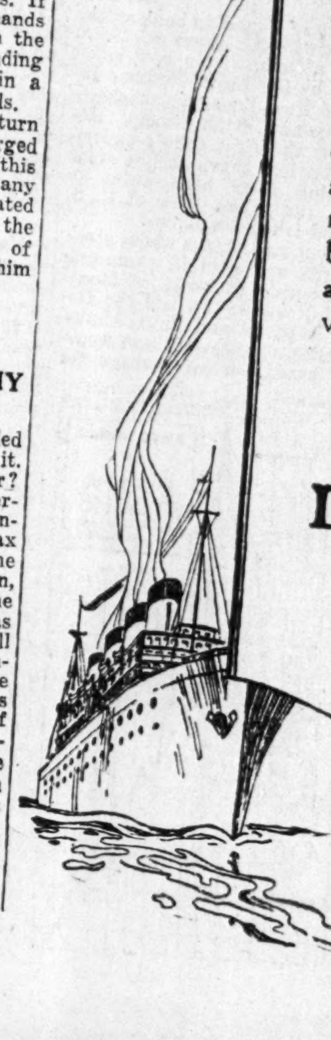
Capital: $1,000,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
Safety Deposit Vaults
THE EASTERN TRUST COMPANY
Head Office — Halifax, N. S.
Saint John, N.B. St. John's, Nfld. Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

In Newfoundland



Having twelve branches long established in the important centres of Newfoundland, this Bank is particularly well equipped to assist its Canadian clients who desire to do business in that Colony.

THE BANK OF NOVA SCOTIA
Established 1832
Capital, $12,000,000. Reserve, $24,000,000.
Total Assets over $265,000,000



Collections Foreign and Domestic

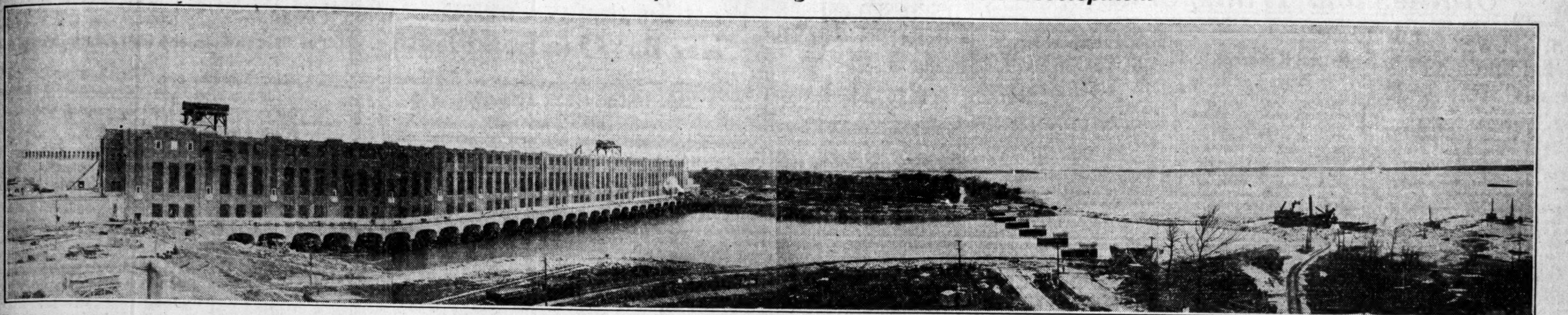
We handle collections promptly and efficiently. A chain of branches covering all the important business centres of Canada, offices in London, England, and New York, and connections with the strongest banks in other countries assure a comprehensive service.

Quick Presentation— Prompt Remittance.

THE DOMINION BANK
Established 1871
50 Branches in Toronto

Our Managers are in a position to supply much valuable information to exporters and importers.

Power Plant Nears Completion at Gigantic Beauharnois Development



Progress at the Beauharnois Power Company's development on the St. Lawrence River near Montreal is shown in this panoramic view. At the left is the power house and wing wall which will lead the water into the upstream face of the plant. In the centre is the tailrace in which excavation work has been completed. On the right are piers which will carry a highway across the tailrace and on the extreme right is the St. Lawrence River and dredge excavation at the entrance of the tailrace. On the extreme right also are three well drills putting down holes for dynamite charges. On the roof of the power house are two gantry cranes which move laterally on rails. These cranes are used to lift head gates and trash tracks.

FARM MORTGAGE INTEREST ARREARS INCREASED IN 1930

Insurance "Blue Book" Reveals 16½ p.c. Are Year Behind

AFFECTS $13,000,000

Increase Also Marked in Amount Written Off and Loss on Sales

Data as to mortgage interest overdue on life insurance company real estate loans in 1930, is afforded for by figures appearing in the federal insurance blue book for 1930 just published.

Up to the end of last year there was $13,747,946 of loans held by insurance companies on which interest was one year or more overdue, and of this total $12,938,361 applied to farm properties alone—nearly double the amount shown for 1929.

Considered in relation to the total of farm loans outstanding, which at the end of 1930 totalled slightly under $78,500,000, the proportion is about 16½ per cent as against 8½ per cent in 1929.. The total book value of all mortgage loans, farm and otherwise was $421,325,256, and the percentage of this total on which interest was overdue a year or more was only 3¼ per cent.

Urban Figures Better

One compensating feature that these figures reveal, however, is the surprisingly small proportion of loans by comparison, on urban property on which interest was a year or more overdue, the total being $809,585 out of a total book value of $342,836,583 outstanding.

On farm loans, the province with the largest amount of overdue interest at the end of 1930 was Saskatchewan, where, out of total loans of approximately $44,000,000, interest was a year or more behind on nearly $8,000,000. Actual figures give a proportion of 17.96 per cent. This proportion is even exceeded by figures for British Columbia and Manitoba, though the actual amount in both cases is far smaller. In Manitoba, overdue interest applies to $2,686,532 of loans totalling $11,283,879, a percentage of 23.81, while in British Columbia $196,138 out of a total of $296,081 has interest over a year overdue, giving the high proportion of 66¼ per cent.

Provinces Compared

The following table gives a comparison by provinces of the amounts of loans on which interest is overdue for both 1929 and 1930, and the percentages to total loans for 1930 only.

Mortgage Interest Overdue

	One year or more 1929 Int. overdue on $	1930 Int. overdue on $	Propn. of tot. loans 1930 %
Alberta ...	1,148,498	2,125,088	9.82
B. C.	174,895	196,138	66.24
Manitoba ..	2,385,211	2,686,532	23.81
N. B.	....	800	...
N. S.	64,626	24,168	1.98
P. E. I.	4,500	4,500	9.13
Quebec	15,904	15,904	15.82
Sask.	2,932,552	7,885,231	17.96
	6,726,186	12,938,361	16.48

Canadian Companies Only

The above figures apply to mortgage loans held by Canadian companies only, it being apparent from the blue book figures that other companies, while holding approximately $4,300,000 in farm mortgages have none on which interest was overdue one year or more.

Another interesting situation revealed by 1930 blue book concerns the amounts written off loans and loss on the sale of properties acquired through foreclosure.

The total under this head for 1930 was $932,306 as compared with $797,604 in 1929. Manitoba was responsible for $556,266 of this, Saskatchewan for $239,246 and Alberta for $132,499, compared with 1929 figures of $365,936, $286,499, and $121,538 respectively.

Upon urban properties write-offs and losses on sales totalled $433,725 as against $185,746 in 1929, the largest proportion again being in Manitoba with $176,343, followed by British Columbia and Ontario with $111,449 and $73,712 respectively.

Real Estate Investments

Analysis of the investments of Canadian life insurance companies in real estate including that held under agreements of sale, and first mortgages—omitting one company whose investment policy would distort the averages—shows comparative figures as follows:

Real Estate Investments

	1929 $	1930 $	1930 % of total assets
Real est.*....	28,629,297	24,849,716	2.69
Rl. est. held under ag. of sale	†	13,962,871	1.51
Loans:			
In Canada			
Farm	78,745,596	72,571,622	7.86
Other	208,620,437	226,210,991	24.49
Abroad	7,002,458	7,695,275	.84

*Includes head office buildings.

†In 1929, real estate held under agreements of sale was included with mortgages or real estate.

High Taxes Now Delay Prosperity's Return

(Continued from page 1)

merely a casual reduction in expenditures but the introduction into our public affairs of a radically revised conception of what constitutes the true and proper function of government.

Failing such a new deal in public finance, we must inevitably lag behind in the international race for economic leadership. Government in Canada is nearer to bankruptcy today than ever before in its history. We can avoid that bankruptcy. We must avoid it.

Our prosperity is based upon our ability to meet the world on a basis of cost and quality in the extraction and fabrication of our natural resources. Wheat, livestock, copper, silver, lead, zinc, gold, newsprint paper are outstanding examples of these resources. We have no monopoly in the production of any of these commodities. We have no monopoly of their manufacture into articles of commerce. We are up against the keenest of competition from other countries. We can compete successfully with those other countries only if we are prepared to meet them on a basis of cost.

No Canadian desires to achieve a basis of competition by a lowering of the Canadian standard of living. For that matter a low standard of living and a high degree of economic skill seldom go together. But we can win out in this world industrial and commercial competition by efficiency which, in the ultimate analysis, is merely a single word that expresses the idea of doing a job in the manner that best combines high production with low cost. But our producers and fabricators cannot do the whole job of lowering the costs. One of the most important items in the business costs of any country is the cost of government. This year one dollar of every five of our national income will go toward the maintenance of our governmental institutions.

Margin Small Between Success and Failure

The margin that diverts orders for wheat between one country and another is often less than two cents a bushel. The margin that diverts orders for flour between one country and another is never more than five cents a barrel. The margin that determines where an order for steel will be placed is a scant few cents a ton. The difference between 17 per cent of our national income going into the cost of government, as it did in 1928, and 20 per cent, as it will this year, is much more than the average margin that determines the success or failure of any group of producers in this world race for business.

Our rising cost of government in Canada and our present governmental spending policies menace our security as a prosperous nation. Here are just a few very illuminating figures as to the cost of government in this country. All of these have previously been presented in more detailed form in The Financial Post.

Average taxes per family in Canada were about $165 in 1912. In 1920 they were $405. In 1930, after ten years of assorted prosperity and depression they were $508.

In 1912 we each worked one day in ten to pay our taxes. In 1920 the tax collector got one day's pay in five. We brought that down to one in six in 1928 but it did not stay there. The taxes paid in 1930 took just under one-fifth of the national income and the proportion for 1931 will be higher—will be the highest in the history of Canada.

Our governments are spending just short of one billion dollars a year on ordinary account, without allowance for the capital expenditures that are making our debts enormous. In 1930 the Dominion spent $394,000,000 on ordinary account. The provinces spent $185,000,000. The municipalities spent $385,000,000. The total public expenditure was thus $964,000,000.

Our public bodies spent $290,500,000 in 1913, and they spent $696,000,000 in 1920.

Public Debts Rise Billion in Eight Years

Now for some figures to indicate the rise in our public debts. And in order that that prime alibi of the politicians—the Great War—cannot be blamed for the increase in public debts let us select 1923, which was five years after the war and compare the figures for that year with our public debts today. The public debts which the people of Canada must carry, must pay interest on and must in time repay, were $4,838,300,000 in 1923. Today they are $5,786,200,000. We have added $974,900,000 or nearly one billion dollars to our debts in eight years. No nation of 10,000,000 people can carry any such load without feeling the strain very seriously. We have felt the strain. We are feeling it today.

This addition of $1,000,000,000 to our public debts is our own fault. There has been an even larger increase in the dead weight of our obligations due to causes largely beyond our control. The decline in price has increased our debts, not in dollars, but in terms of the commodities we must produce to pay them. Readers of The Financial Post are all familiar with the new orientation between borrowers and lenders that has been brought about by the decline in prices. This readjustment has already added a total of at least one and a half billion dollars to the real burden of our Canadian public debts.

Every Canadian family must pay in taxes each year $145 merely to meet interest on the money our different governments have borrowed. Two years ago one hundred bushels of wheat, 800 pounds of copper or 300 pounds of butter would have met this annual bill. Today it takes 200 bushels of wheat, a ton of copper or 600 pounds of butter.

Governments Forced Now to Wake Up

There is no definite indication yet that all of our political spending bodies realize that the scale of public expenditures must be drastically scaled down. Realization will be rather ruthlessly forced upon those who are not yet awake to the facts.

It can give us no satisfaction that for the first time in the memory of the present generation of investors two of our Ontario municipalities have defaulted in their bonds because the taxpayers did not have the money to pay the collector.

It can give us no satisfaction that for the first time an authoritative bond rating service has reduced the rating of several of our provincial bond issues because the provinces have assumed burdens greater than they can readily meet in times of stress.

It should give us no satisfaction that for the first time in Canada's history the peace time borrowings of the Canadian Government have had to be made under the stimulus of a patriotic appeal to the citizens because our spending policies, past and present, have closed the financial markets of the world to our issues.

Governments Must Follow Private Business

If we could only have assurance that government institutions—the Dominion, the provinces and the municipalities—were cutting their costs and increasing their efficiency in the same degree as private business, we could feel very confident of early business recovery.

What business men must demand of our governments is not merely a policy of every-day economy, useful as that would be, but something more drastic, a complete overhauling of our concept of what is the proper function of government and the elimination from government in Canada of a host of paternalistic encrustations that threaten our existence as a great trading nation.

Must Prepare to Seize Opportunities

This is a period during which every Canadian should be making himself more efficient on his job, whether he is in private or in public business, whether he be an extractor or a fabricator of wealth, for assuredly the period is not far distant when Canadians will have an opportunity of continuing their march forward to a position at the van of the economically great nations of the world.

The depression has not depleted our soil, nor used up our minerals, nor dried up our rivers, nor burnt over our forests nor depleted our manpower. Great opportunities are to come and we should now make ourselves ready to seize them.

Our governments should play their part in making the nation ready.

Newly Licensed Company Opens Office in Montreal

The Great American Insurance Co. and those of its affiliated companies which operate in Canada opened a Canadian department in Montreal on December 1.

This company reinsured the automobile and plate glass business of its subsidiary, the Mount Royal Insurance Co., the fire and allied business having been taken over by the County Fire Insurance Co. Both companies are licensed at Ottawa.

The new Canadian department will be under the direction of H. C. Bourne and C. H. Duclos, managers, and H. H. S. Fisk and J. A. MacDonald assistant managers, all of whom were formerly with the Mount Royal Co.

Agents of the Great American and American Alliance insurance companies and of the Rochester Underwriters Agency in Ontario, Quebec, the Maritime Provinces and Newfoundland, who have heretofore been reporting to New York, will report to Montreal on and after December 1.

New Industry for Winnipeg

A new industry for Winnipeg will be the manufacturing of pottery and tableware from Manitoba clay. Building operations have already begun.

Some of Duncan Ideas Still to be Implemented

Saint John Board of Trade Survey Shows Progress Made, But Several Recommendations Have Not Been Acted Upon

From Our Own Correspondent

MONTREAL.—Five years after the publication of the Duncan recommendations respecting the claims of the Maritime Provinces, the Saint John Board of Trade points out that only ten recommendations have been implemented, corresponding number of recommendations have been partially implemented, while no action has been taken on nine recommendations.

Early in April last year, the Saint John Board of Trade prepared a memorandum indicating the standing of the Duncan recommendations at that time. This initial report showed that seven recommendations had been implemented, ten partially implemented, and no action taken on the balance.

Survey of Progress

Following is a synopsis of the recommendations made by the Duncan Commission, together with a review of the action taken to implement the findings.

1. Reconsideration of Maritime Provinces' position in respect to public lands. The Commission pointed out that large sums of money had been spent on lands which had been turned over to other provinces. Though not making any definite pronouncement, the Commission said that consideration should be given to the Maritime Provinces.

There is no record of progress on the above matter. The matter was referred to the House in February 1929, but the then Prime Minister said that no claim had been brought forward by the Maritimes. Some claim that the Federal Government should take the initiative, but to date Ottawa is waiting on the provinces.

2. When Prince Edward Island entered Confederation it had no Crown lands and, therefore, no revenue from that source. Consequently the Dominion agreed to pay $45,000 per annum, less interest at 5 per cent on any sum not exceeding $800,000 which the Dominion might advance for the purchase of lands held by large proprietors under grant from the British Crown. This policy worked out disastrously and the Commission suggested some action should be taken.

There is no record of progress on this matter.

3. Public Debt Allowances: suggested Dominion Government should give immediate consideration to this matter, as Maritime Provinces are dealt with differently from Western Provinces—"they are entitled to have their allowance reconsidered."

It is understood that the Finance Department at Ottawa is preparing data to enable a thorough reconsideration of the Public Debt Allowances of the Maritimes and also that the provincial governments are in touch with the situation.

4. Interim Lump Sum Payments; Commission recommended immediate payment of $875,000 to Nova Scotia, $600,000 to New Brunswick and $125,000 to Prince Edward Island, until reassessment has been made.

These sums have been duly paid.

Freight Rates Question

5. Freight Rates: Commission recommended an immediate 20 per cent reduction on rates of traffic both originating and terminating in the Atlantic Division of the C. N. R. (including export and import traffic by sea, from and to that division), same reduction to be applied to the Atlantic division proportion of through rates on all traffic originating in Atlantic division, excluding import traffic by sea, and destined to points outside the division.

The 20 per cent freight reduction varies considerably from under to considerably over 20 per cent. So far as Saint John is concerned, the situation is said to be disappointing. Reduction is conceded on export traffic only if traffic is exported through Maritime ports. This is regarded as an unreasonable restriction and one not intended by Duncan Commission. Recommendation that reduction apply to the Atlantic division proportion of the through rates on all traffic originating in the division, excluding import traffic by sea, and destined to points outside of the division, has not been conceded in its application to Maritime traffic destined to United States points.

6. Saint John and Ste. Rosalie Gateways: This matter was in the hands of the Railway Board and not dealt with by the Commission, but it was pointed out the retention of the gateways was desirable.

The Railway Board ordered that these gateways remain permanently open. The C. N. R. declined to comply and took the matter to the Supreme Court which closed Saint John, but ordered the Ste. Rosalie Gateway to be reopened.

7. Horizontal Freight Rate Increases: During the war flat percentage increases were applied to freight rates, but the railways stated that when reductions came, they would also apply horizontally. Commission recommended that the matter should be taken into fresh consideration by the Railway Board.

So far no action has been taken in this matter.

Railway Board Powers

8. Duncan report recommended that the powers of the Board of Railway Commissioners be extended so that they may have power to order experimental rates.

This recommendation has not been implemented, though Canadian Chamber of Commerce also has passed resolutions favoring such action.

P. E. I. Car Ferry

10. Prince Edward Island Car Ferry. Commission recommended new ferry facilities to the Island and that ferry should be operated by the railway but under separate account.

A large, new boat has been put in service.

11. Statutory Harbor Commissions for Halifax and Saint John: It is claimed that the recommendation implied the literal nationalization of these two ports.

It is claimed that Saint John has not been nationalized in the literal sense, and that the act applying to harbors of Halifax and Saint John does not embody rights set forth in resolution 66 of the Confederation Treaty. It is anticipated, however, that the Gibb report will suggest proper readjustment of such matters.

12. Prince Edward Island Harbor Facilities: It was recommended that the Federal department of Public Works make a survey of harbor facilities with a view to adequate provision for the needs of the Island.

It is reported that considerable progress has been made toward implementing this recommendation.

13. Trade Treaty with the United States in Fish and Forest Products.

No action reported on this matter.

14. Deputy Minister of Fisheries.

This official appointed some time ago.

15. Fisheries Educational Work.

The appointment of a deputy minister of Fisheries has resulted in greater activity for the betterment of the industry.

16. Freight Rates on Coal Inward from Montreal.

Low Freight Rates

Cheap experimental rates are now in effect covering water and rail movement during summer and all rail movement during winter, and applying to both Nova Scotia and New Brunswick coals. These rates are favorable.

17. Subvention to Reduce Coal Freight Rates.

The experimental rates referred to would seem to cover this recommendation.

18. Coking plants.

An Act has been passed providing for financial aid to coking plants. As rebate of 99 per cent is given on customs duties on coal imported for coking, it is the opinion that this recommendation has been only partially implemented.

19. Customs Tariff on Coal; report recommended that attention be given to reconsidering customs tariff in relation to coal, etc.

Tariff has been adjusted.

Tariff on Steel

20. Customs Tariff on Steel and Iron: Report emphasized need of prompt action to give greater protection.

Tariff has been applied.

21. Iron and Steel bounties: Recommended that a bonus should be given in respect of steel when Canadian coal is used in its manufacture.

This recommendation has been implemented.

22. Immigration.

There has been more activity in respect to diverting the flow of immigrants to the Maritimes. Slackness in this regard is looked upon as provincial slackness.

Buy Two Railways

23. Saint John and Quebec Railway: recommended that line should be taken over by the Government.

This line has been since taken over by the Government.

24. Kent Northern Railways: recommended that negotiations should be re-opened for purchase of this line for $60,000.

This line has been since taken over by the Government.

25. Trade Development: More active and vigorous commercial policy was recommended.

The Trade Commissioner Service is stated to have improved appreciably and that its officials have been found most energetic and helpful.

26. Geological Survey: A more detailed geological survey of Maritimes was recommended.

It is stated that a little work has been done in P. E. I. and it is understood that the Geological Department has also done some work in New Brunswick, but the recommendation cannot be considered as implemented, according to intention.

27. Technical Education in P. E. I.

This has been arranged.

28. Statistics re Internal Trade.

It is said that nothing has been done on this matter.

29. Statistical Memo re Maritimes.

Report prepared in December 1927, but report is regarded as too favorable and that conclusions yielded by statistical tables may be quite alien to fact.

Safety of Capital
Certainty of Income

Providing the above is an essential part of our services to clients and their families.

Crown Trust Company
CROWN TRUST COMPANY · EXECUTORS · TRUSTEES · AGENTS
WILLIAM I. GEAR - - - President
ARTHUR LYMAN - - Vice-President
F. G. DANIELS - - Vice-President
IRVING P. REXFORD - Gen. Manager
St. James Street · Montreal

ENVELOPES
MACHINE OR HAND MADE
PRINTED OR PLAIN
TORONTO ENVELOPE CO., LTD.
366 ADELAIDE ST., WEST
TORONTO 2

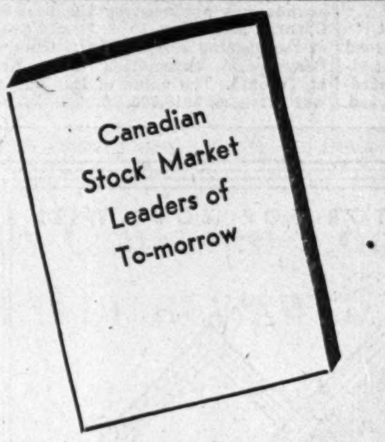
Woods Manufacturing Company, Limited

Jute and Cotton Bags — Tents
Hessians, Buckrams — Flags
Paddings and Twine — Tarpaulins
Clothing and Cotton Fabrics

FACTORIES AT MONTREAL, TORONTO, OTTAWA, WINNIPEG, WELLAND
HEAD OFFICE MONTREAL

HAMILTON BRIDGE COMPANY
LIMITED
Designers, Fabricators and Erectors
of every class of
Structural Steel Work
Head Office and Works:
HAMILTON - CANADA

National Steel Car
Corporation Limited
Builders of Passenger Cars—Freight Cars—Street Cars—Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts—Steel Pressings—Forgings—Drop Forgings.
HAMILTON, ONTARIO, CANADA
621 St. James Street, MONTREAL, QUE.



Decidedly worth reading—

Every investor should have a copy

Many investors ask The Financial Post how they are to choose the stocks that may prove to be the stock market leaders in the next period of rising prices. The Financial Post is an investment and not a speculators' paper and it does not attempt to pick stocks for market appreciation. But many common sense principles can be set down and applied to various stocks to determine which have substantial promise and great relative merit.

Without prejudice and without any claim to prophetic vision, The Financial Post recently published a series of articles on good Canadian stocks that seem to meet the most obvious tests that need to be applied to good securities. These articles are now reprinted in booklet form. The first chapter in the booklet outlines the record of some former leaders and tells why some disappeared and why some remained. It also discusses some essential tests. Further chapters discuss individual stocks. The list is given at the left. This booklet (48 pages and cover) is now available at **25c**

Companies Covered
Shawinigan
Steel of Canada
Dominion Stores
Loblaw's
Montreal Power
Noranda
B. A. Oil
Page-Hersey
B. C. Power
Imperial Oil
International Pete
Goodyear Tire

THE FINANCIAL POST,
153 University Ave.,
Toronto.
Please enter my name for:
☐ .... copies of new "Canadian Stock Market Leaders of To-morrow" booklet at 25c.
Name ....
Address 878

Utilities and Transportation

B. C. POWER CORP. EARNINGS BELOW DIVIDEND NEEDS

First Quarter Profits Equal to 40 Cents a Share

From Our Own Correspondent

MONTREAL.—Earnings of British Columbia Power Corp. in the first quarter of its current fiscal year failed to cover the distribution made on the "A" shares in that period. A quarterly payment of 50 cents a share was made on October 15; in the three-month period ended September 30, earnings after all charges were equal to 40.7 cents a share on the "A" stock.

This fact is revealed in monthly figures issued by the company which include, for the first time, deductions for bond interest and depreciation. From the beginning of the fiscal year July 1 to September 30, gross earnings showed a drop of 6.53 per cent and net was lower by 16.85 per cent compared with the same period in 1930.

Earned 40 Cents a Share

Net earnings for the first quarter were $1,031,528 from which was deducted $450,846 for depreciation and $624,793 for bond interest and preferred dividends. Net applicable to class "A" dividends, therefore, was $406,735 or the equivalent of 40.7 cents a share on the 1,000,000 shares of class "A" were equal to 60.9 cents a share.

Following is a comparison of income figures for the first quarter of the past two years:

	1931	1930
Gross revenue	$3,360,993	$3,597,208
Oper. expenses	1,878,619	1,904,515
Net revenue	1,482,374	1,692,693
Depreciation	450,846	452,157
Interest and divds. on preferred	624,793	631,115
Net profit	406,735	609,421

During the current year revenue in all departments, with the exception of the gas division, has been lower as compared with 1930. Earnings of the gas utility have shown a slight increase.

For the four months ended Oct. 31 net applicable to the class "A" stock amounted to $614,370 or 61 cents a share. This compares with $865,144 or 86.5 cents a share in the corresponding period of 1930. To date, therefore, earnings of B. C. Power Corp. indicate an annual basis of $1.83 a share on the "A" shares against dividends of $2. Earnings in the fiscal year ended June 30, 1931, were $2.44 a share.

Canada Steamers Keep 28 Vessels in Operation

From Our Own Correspondent

MONTREAL.—Toward the end of last week, Canada Steamship Lines had in service 28 vessels carrying coal, grain and packet freight.

It is too early as yet to determine when the last ship will be taken off the regular run. In the 1930 season the last of the C. S. L. grain carriers afloat was the "Lemoyne" which tied up at Sarnia on December 11.

The majority of the passenger ships have been taken off their regular runs and put up for the winter.

Maritime Telephone Seek to Set Up New Reserve

From Our Own Correspondent

MONTREAL.—Maritime Telegraph and Telephone Co. has applied to the Public Utilities Board of Nova Scotia for permission to transfer $75,000 from depreciation reserve to a special storm reserve.

The application was pursuant to a decree handed down by the board previously giving the company privilege to present the request, in accordance with former rulings of the board.

Natural Resources Prove Profitable

Saskatchewan's department of natural resources, created on October 1, 1930, showed a surplus of $17,290 in the first seven months of operation, according to a statement made recently by Hon. J. T. M. Anderson. Revenue collected from October 1 to April 30, 1931, amounted to $284,981 and expenditures amounted to $267,692. Total collections during the period amounted to $441,076, including school lands. No charges were written off to capital account during the period and had this been done the surplus would have been greater.

Alberta reported a surplus of $348,678 from natural resources during the first six months of operation of the natural resources department in that province. This surplus is largely due to return from Alberta's oil resources, a source of revenue not available to the Saskatchewan department.

HALIFAX COUNCIL OPPOSE SCHEDULE OF N. S. LIGHT CO.

Present Petition to Board Based on Solicitor's Report

From Our Own Correspondent

MONTREAL.—Halifax City Council has presented to the Nova Scotia Board of Public Utilities a petition calling for a general reduction in the civic electric rates charged by the Nova Scotia Light, Heat and Power Co.

The case, which will be presented to the board, is based upon the statements of the company's earnings in its electrical departments prepared by L. A. Lovett, K.C., counsel for the city in the investigation of the proposed merger of the Nova Scotia Light and Power Co. and the Avon River Power Co.

Discuss Alleged Surplus

As originally presented, the committee's recommendations, in addition to providing for the presentation of a petition calling for reduced electric rates, embodied a clause which suggested that the matter disclosed by the city solicitor's report be submitted to the Legislature at the next session for the purpose of obtaining for the electric users of Halifax a return of the alleged excess earned by the electrical department of the Nova Scotia Light, Heat and Power Co. and to obtain legislation to prevent similar occurrences in the future.

This point was debated in the municipal council but it was considered that the main object at present was to present the petition for a rate reduction before the merger case was concluded. The matter of seeking remedial legislation is not of such immediate importance.

The council decided to present its petition for reduced rates, while the motion respecting legislation in regard to excess profit was held over.

Ontario Honey Production

Honey to the amount of 13,000,000 pounds was produced by the bees of Ontario, according to a report read at the opening session of the Ontario Beekeepers' Association convention at Toronto. The value of this output was given as $910,000.

MARITIME TEL. BUYS CONTROL TWO SYSTEMS

Small Telephone Concerns Absorbed by Nova Scotia Utility

From Our Own Correspondent

MONTREAL.—Two more local telephone companies have been acquired by the Maritime Telegraph and Telephone Co., largest operator in Nova Scotia and Prince Edward Island.

At the beginning of last month the Barrington Township Telephone Co. was absorbed into the system. This company has been operating for 41 years in the section of the Nova Scotia between Clyde River and Woods Harbor, including the villages of Clyde River, Port Clyde, Port Saxon, Barrington Head, Barrington Passage, Doctors Cove, Shay Harbor and Woods Harbor, as well as the whole of Cape Sable Island and the town of Clarkes Harbor.

Approved by Board

Application by the Barrington company to sell out was approved by the Public Utilities Commission on November 1, 1931. On that date the company had in service 318 telephones, 65 poles of pole lines, 120 miles of circuit and three switchboards.

The other company acquired by Maritime Telephone was the New Ross Telephone Co., serving the villages of New Ross, Forties Settlement, Chester Basin and East Dalhousie. The new territory has been thoroughly surveyed and immediate steps are being taken to metallic all lines; build a copper circuit between New Ross and Chester; remove connection between New Ross and Dalhousie, as well as New Ross and Dalhousie.

Toll Traffic Lower

October operating statement of Maritime Telephone show a total toll traffic of 137,871 calls as against 129,943 in the same month of 1930. Of this number 128,800 were completed, or 93.4 per cent. This was equivalent to 4,770 completed toll calls per day.

During October last year the per centage of completed calls was 91.6. During the same month this year the average of completed toll tickets for class "A" exchanges was 91.4 per cent, and class "B" exchange 95.6 per cent.

BELL TELEPHONE EMPLOYEE SALES ARE PRODUCTIVE

Returns First Ten Months Bring in Substantial Revenue

From Our Own Correspondent

MONTREAL.—Sales effort on the part of the employees between January 1 and the end of October, 1931, resulted in an additional monthly revenue of $74,021 to the Bell Telephone Co. of Canada.

During this period, 43,406 prospects were received by the management and sales effected totalled 47,316, making an average of 335 sales per 100 employees. In breaking down these returns, some interesting results are obtained. The Plants Department received 14,590 prospects and made 28,026 sales. The Traffic Department handled 24,070 prospects for a total of 14,811 sales. The Commercial Department registered 3,718 prospects and 3,676 sales, while other departments had 1,028 prospects for 803 sales.

Western Area Leads

Of the two major divisions, the Western area recorded a larger number of prospects, sales, and monthly revenue. This division had 28,976 prospects and 30,310 sales, for a monthly revenue of $44,192. The average sale per employee in the Western area during this ten months' period was 4.12.

The Eastern area reports a monthly revenue for the January-October period of $29,828, representing 17,006 sales for 14,431 prospects. This meant average sales of 2.51 per employee in the area. Following are the detailed returns of sales for the ten months' period, January 1 to October 31, 1931.

	Eastern	Western	All
Prospects	14,431	28,975	43,406
Sales	17,006	30,310	47,316
Monthly rev.	$29,828	$44,192	$74,021
Aver. sales per employee	2.51	4.12	3.35

September Gypsum Output Registers Small Increase

From Our Own Correspondent

MONTREAL. — Gypsum, Lime and Alabastine (Canada) Ltd. is apparently doing a better volume of buisness, judging by the report on production issued by the Dominion Bureau of Statistics.

During September last, output of gypsum in Canada totalled 112,601 tons as compared with 123,790 tons in the preceding month and 95,234 tons in September last year. During this month Nova Scotia quarries accounted for 88.5 per cent of the total Canadian shipments.

Exports of Canadian crude gypsum consisted of 92,640 tons shipped to the United States. Plaster of paris exports 348 tons, of which 264 tons were shipped to New Zealand, 74 tons to the United States, six tons to South Africa and four tons to Newfoundland.

Public Utility Earnings

Jamaica Public Service Co.

	1931 $	1930 $
October:		
Gross earnings	64,606	67,096
Net earnings	23,699	26,911
Surp. after charges	14,291	17,469
12 mos. end. Oct.:		
Gross earnings	833,520	825,379
Net earnings	342,830	334,616
Surp. after charges	233,024	245,389

Barcelona Traction

October	1931 Pesetas	1930 Pesetas	Decrease Pesetas
Gross earn.	8,714,153	8,935,562	221,409
Oper. exp.	3,043,929	3,500,703	456,774
Net earn.	5,670,224	5,434,859	*235,365
Aggreg. gross from Jan. 1	88,229,832	88,440,039	210.207
Aggreg. net from Jan. 1	57,759,390	57,920,634	161,244

* Decrease.

N.S. POWER MERGER DISCUSSED BEFORE UTILITIES BOARD

Halifax Counsel Seeks Segregation of Services

From Our Own Correspondent

MONTREAL.—Discussion of a proposal to merge Nova Scotia Light and Power Co. with Avon River Power Co., presently being investigated by the Board of Public Utilities, has largely centred around the earnings of the various departments of the Halifax utility company. L. A. Lovett, counsel for the city, claimed that earnings of the electric, gas and tram departments should be segregrated and sought figures which would show how much depreciation was charged off against each of the divisions individually.

J. B. Hayes, general manager of Nova Scotia Power, claimed that such figures were not available; that depreciation was written off on the three properties as a whole and that the company's policy was to treat the three departments as a single entity.

Flays Electric Earnings

Counsel for Halifax contented that earnings of the electric department were excessive and well above the 8 per cent to which he claimed it was entitled. He sought a new valuation of the company's properties, which were last valued in 1921, but the suggestion was set aside by the Board.

In questioning Mr. Hayes, Mr. Lovett elicited the information that in 1929 there was written off $175,000 on account of depreciation or an over-all charge of nearly 3 per cent. The extent of the individual write-offs as they touched each department, however, was not forthcoming. Mr. Lovett charged that the company had not attempted to follow the division of earnings of the department as specified by the Board of Public Utilities.

Tramway Earnings Lower

Reference was made by Mr. Hayes to the finances of the tramway department. He said that indications were that earnings of this division would decline by some $65,000 from the 1930 figure and told of a change in the tax agreement with the city whereby the taxes on the tramways were fixed at 2 per cent instead of 4 per cent formerly while the electric taxes were raised from 2 per cent to 5 per cent. He thought under this arrangement the electric department would pay an additional tax of $22,000 and there would be a relief of $15,000 to the tram department.

Commissioner Roper of the Board of Public Utilities said the ruling of the board regarding the three separate departments had been squarely placed before the company and there had been no appeal or objection to it. C. B. Smith, K.C. declared that the Board had no jurisdiction to pass such a ruling.

To the claim that the electric department was earning a sum in excess of 8 per cent Mr. Hayes reiterated that the company had the responsibilty of supplying energy gas and transportation to the people and that the policy was to supply the three utilities at the lowest rate. In 1929 the electric department earned 13 per cent.

CANADA CEMENT CONCLUDES YEAR OF FAIR PROFITS

Expect Statement for 1931 to Reveal Preferred Dividend Earned

From Our Own Correspondent

MONTREAL.—Earnings of Canada Cement Co. for the year ended last month, are currently reported on about the same level as in the preceding year. The volume of business transacted fell off somewhat, but economies in operations enabled the management to hold up profits. This is along the lines of the statement made by J. D. Johnson, president of the company, toward the end of last October.

Developments over the past 12 months include the rehabilitation and extension of the Port Colborne plant. This plant, which is the last of the company's units to be so equipped, will be turned over to the wet process. This system has proved to be more efficient, besides eliminating the dust problem.

Over the past two or three years large sums of money have been spent on equipping the other plants at Winnipeg, Hull and Montreal East with equipment for handling the wet process.

The amount of business handled during the 1931 fiscal year is reported to have been about 12 per cent below that of the preceding year.

Some of the large contracts concluded one of 25,000 barrels from the City of Winnipeg, a substantial order from the City of Hamilton for its filtration plant, one from Ottawa for its water system and filtration plant, one from the City of Montreal for about 200,000 barrels, and a contract from the City of Brantford for its annual supply of cement.

Show $7 on Preferred

On the basis of earnings approximating those of last year, the 1931 report is expected to show preferred stock earnings of about $7.46 a share. This compares with dividend requirements of $6 which the president said would be continued.

Earnings on the common stock in 1930 were equal to 33 cents a share on the 600,000 shares outstanding. It is more than likely that earnings applicable to this stock for 1931 will be that figure.

Outlook is Indefinite

Outlook for the company during the coming year is uncertain at present, The big terminal scheme of the Canadian National Railways, a potential large consumer, has been given a temporary hoist. Highway buildings may be on a fairly extensive scale, though this work may be limited in favor of other forms of roadbuilding. Unemployment relief plans in various cities may bring about the use of a large quantity of cement, but such business is uncertain at the best.

West Kootenay Power Has But One Bond Issue

Programme of Expansion Augurs Increased Earnings; Dividends Paid Since 1904

(Fifth of a Series on Canadian Bonds)

West Kootenay Power & Light Co. has a long and consistent record of satisfactory earnings which is reflected in the regular payment of preferred dividends since 1904. Earnings in recent years have been ploughed back into the company which has shown considerable expansion and which has an extensive programme of development lined up for the future. Subsidiary of Consolidated Mining & Smelting Co., of Canada since 1916, the company is a large producer of power for industrial and mining demands in central southern British Columbia while power is also available for domestic purposes.

With three hydro-electric plants on the Kootenay River in production, the company will shortly have a total installed capacity of 219,000 h.p. when a fourth plant is brought into operation early in 1932. Rights have been obtained for the development of a fifth site, probably with an installed capacity of 30,000 h.p. and this will complete power development on the river. Power rights have also been obtained on the Pend d'Oreille River and eventually some 300,000 h.p. will be developed from this source. Development of a site is proceeding on the Adams River and when the company completes its programme of development it will be one of the larger producers of hydro-electric power in Canada.

Serves Consolidated Smelters

The principal customer of West Kootenay Power is the parent company, Consolidated Mining & Smelting Co. of Canada, which operates smelters, refineries and a large fertilizer plant. Granby Consolidated Mining, Smelting & Power Co. also secures power from the company as do other mining enterprises in the area served. The fact that these large customers are chiefly engaged in the mining of base metals and have had to curtail, or close down, operations during 1931 has a material effect on the company's revenue but despite slackness of industrial consumption, it is reported that bond interest will be earned by a safe margin this year. Directly, or through subsidiary companies, a number of municipalities in southern British Columbia are served.

In February of this year, West Kootenay Power & Light Co. issued $6,500,000 of 5 per cent first mortgage sinking fund gold bonds, series A. From the proceeds of this financing, all other funded debt outstanding was retired. This required $2,186,954 and the remainder was used for the purpose of completing the Corra Linn plant on the Kootenay River. The bonds are guaranteed as to payment of principal and interest by Consolidated Mining & Smelting Co. which owns all of the 61,120 shares of $100 par value common stock outstanding. "Smelters" is controlled by Canadian Pacific Railway Co. which also owns some 68 per cent of the 5,000 preferred shares of West Kootenay Power & Light Co. The company has no other securities issued.

Interest Well Earned

Until this year the company and its subsidiaries have had a funded debt of comparatively small size; amounting to $2,335,834 at December 31, 1930. In 1930, bond interest was earned 12.96 times before depreciation and 7.65 times after depreciation. Bond interest was also earned by a high margin in previous years. With the issue of new bonds in February, 1931, the funded debt of the company is higher than in previous years but the margin of earnings aavilable for interest charges in 1930 would indicate that even with drop in earnings in 1931 interest could still be covered by a satisfactory margin while once the programme of expansion is completed earnings would tend to rise, aided by any improvement in business of the company's large customers.

Since 1928, the working capital position of the company has been strong. Surplus has been steadily increased through ploughing back of earnings and from a surplus of only $16,609 in 1925 the company had built up this item to $2,346,012 at the end of 1930. There has been a steady investment in fixed assets which were shown in the 1930 balance sheet at $11,487,281 including plants, transmission lines, lands and buildings. In 1924, fixed assets were carried at $6,280,282. In addition to the items mentioned the company has increased investment in automobiles, merchandise and equipment from $183,872 in 1924 to $400,793 at the end of 1930.

The current market for the bonds of the company is around $92½ at which price the bonds give a yield of somewhat over 5½ per cent to maturity. In February, 1931, the bonds were offered at 97½ to yield 5.18 per cent. In view of the rather drastic price declines registered by a majority of utility and industrial bonds in recent months, it is generally considered that the West Kootenay Power bonds have shown considerable strength in comparison with other issues.

Are Guaranteed

The bonds are guaranteed, as before stated, by Consolidated Mining & Smelting Co. which owns all common stock of the company, but even more important than this guarantee is the satisfactory earnings record of the company and the manner in which the management is looking forward to the future needs of the district served. The bonds are payable in gold in Canada or the United States, payment in Canada being provided at the principal offices of the Bank of Montreal in Montreal, Toronto, Halifax, Quebec, Ottawa, Winnipeg, Regina, Calgary or Vancouver.

In addition to the guarantee of principal and interest, the bonds are secured by a first mortgage on all properties owned by the company or hereafter acquired; on all shares of subsidiary companies now owned or hereafter acquired and further by a floating charge on all assets and undertakings of the company. While further bonds may be issued until there is $20,000,000 outstanding, it is provided that additional offerings must be restricted in amount to 75 per cent of the expenditures made for permanent additions and extensions to specifically mortgaged premises and then only providing that interest charges shall have been earned at least twice in 12 out of the 15 months preceding issue of additional bonds. The amount of interest earned shall be that necessary for the bonds already outstanding together with the additional amount necessary for the new bonds to be offered.

The company also has agreed to establish an annual cumulative sinking fund sufficient to retire all bonds of series A by maturity, March 1, 1956. The bonds may be retired in whole or in part on any interest date on option of the company or for sinking fund purposes at a premium of 105 during the first five years from date of issue, March 1, 1931, and at a decreasing premium of 1 per cent for each succeeding five year period. The bonds are obtainable in coupon form, registered as to principal only, in denominations of $500 and $1,000. Royal Trust Co., Montreal, is trustee.

Breton Coal Shipments Are Lower This Season

From Our Own Correspondent

MONTREAL.—Shipments of coal up the St. Lawrence River from Cape Breton collieries of Dominion Steel and Coal Corp. this year totalled 1,700,000 tons, the lowest figure in several years. The shipments were 400,000 tons less than in 1930 and 750,000 tons less than during the peak year of 1929.

Foundation of the winter coal bank at Sydney and New Aberdeen has been laid and coal is being dumped at the Sydney bank as rapidly as possible. Last year 533,000 tons were banked. An unofficial report is that almost as much will be placed in banks this winter.

Wabana Ore Exports Nearing 700,000 Tons

From Our Own Correspondent

MONTREAL.—Iron ore shipments from the Dominion Steel and Coal Corp.'s mine at Bell Island from the opening of navigation to the end of November this year totalled 657,435 tons. An additional order for 35,000 tons is reported to have been received and total shipments for the season are now expected to reach 700,000 tons.

Canada—
The Best Investment for Canadians

Many Canadian government and high grade municipal bonds are described in our new Bond List. Yields range from 5% to 6%.

An outline of factors affecting the current economic and financial outlook, which is included, also will be found of interest.

Write for this List today.

Wood, Gundy & Company Limited
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Greater Yields from Investment Dollars!

We recommend the purchase of the following senior securities of companies engaged in the development of our natural resources or in the Dominion-wide distribution of essential products.

CANADA NORTHERN POWER CORPORATION - 5% Bonds
Maturing 1953, to yield about 6.25%

POWER CORPORATION OF CANADA - 4½% Debentures
Maturing 1959, to yield about 6.75%

McCOLL-FRONTENAC OIL CO. - 6% First Mortgage Bonds
Maturing 1949, to yield about 7%

Prices on application

NESBITT, THOMSON and Company Limited
Royal Bank Building, TORONTO
Hamilton Montreal Quebec Ottawa London, Ont.
Winnipeg Saskatoon Calgary Victoria Vancouver
6

A SAFE EXECUTOR FOR YOUR WILL

THE TRUTH ABOUT A POPULAR FALLACY

IS TRUST SERVICE EXPENSIVE ?

"I can't afford to have my estate settled by a Trust Company. A Trust Company is too expensive."

This is not true. The fact is that the fees allowed a Trust Company are no larger than those allowed by the Court to a private executor. The use of its services represents sound economy in that it eliminates mistakes due to inexperience or unsound judgment, which may prove expensive and even disastrous.

The settlement of an estate or the handling of a trust calls for permanence, experience, knowledge and technical skill.

THE ROYAL TRUST Co
Executors - Trustees - Investment Agents - Transfer Agents
Trustees for Bondholders - Safe Custodians - Etc.
59 YONGE STREET — TORONTO
BRANCHES THROUGHOUT CANADA
Assets Under Administration Exceed $530,000,000
NO ESTATE TOO SMALL FOR OUR ADMINISTRATION 24

Give THE FINANCIAL POST This Christmas!

THE FINANCIAL POST is the paper of Canadian financial and business leaders.

The Financial Post's views have come to be regarded as the views of the sanely constructive; hence The Financial Post circulation is more and more including those intelligent men and women who are interested in Canada's economic development, as well as those directly concerned with business and finance.

For such people a subscription to The Financial Post is an ideal Christmas present. It means that every week there comes a stimulating, broadening, interesting paper. Such a gift shows your appreciation of your friend's breadth of interest.

Send in your lists at once, and the first copy will arrive at Christmas, with a card telling of your thoughtfulness.

Canada, United States, Mexico, British Empire $5.00 a year. All other countries $6.00.

THE FINANCIAL POST,
143 University Ave.,
Toronto, Canada.

Please send gift card with my Christmas Greetings to the names on the attached list, announcing my gift of a year's subscription to The Financial Post—card to be mailed to arrive as nearly as possible on Christmas Day, and subscription to start with the December 26th issue.

Enclosed is .... in payment.

Name of Sender ....

Address 830

News of Investment Markets

ONTARIO BOARD WILL SUPERVISE PUBLIC FINANCE

Can Exercise Authority to Curb Municipal Borrowing

I. B. A. APPROVES

Proposed Changes Would Bring Ontario More in Line With Other Provinces

Reorganization of the Ontario Railway and Municipal Board to include more active supervision of municipal financing in Ontario has been announced by Hon. W. H. Price, K.C., attorney-general for the province. This action, to be taken during the forthcoming legislative session, will bring Ontario in line with Quebec and the western provinces all of which exercise supervision of municipalities in varying degrees. It is also possible that other provinces will strengthen their respective municipal acts in the next few months and in British Columbia, at least, certain amendments have been proposed.

In Ontario, it is proposed to have municipalities file all data and statistical information with the Ontario Railway and Municipal Board which will examine all municipal debenture issues proposed and, if advisable, approve these issues. Through the offices of the board expert advice will be afforded municipalities on their various financial problems. At the present time a majority of all municipal debenture issues are submitted to the Private Bills Committee for approval. The Ontario Railway and Municipal Board, as at present constituted, has the power to authorize municipal borrowings over and above the statutory maximum or in cases where there has been some irregularity.

Favored by I. B. A.

The proposed changes in Ontario, while outlined by the Attorney-General, have not been given in detail. The exact powers which will be given the re-constituted board remain in doubt, but if the established procedure of some of the other provinces is followed, very material changes may take place. The Investment Bankers' Association of Canada has been placed on record as favoring revision of the Ontario Municipal Act and increase powers for the Railway and Municipal Board.

The association, which is fully representative of Canadian bond dealers, believes that borrowing powers of Ontario municipalities should be greatly restricted and that application for the issuance of bonds by municipalities should be approved by the board only after comparing the debt, assessment, current finances, local conditions, etc., with that of other municipalities and after being fully assured that the municipality in question is in sound enough financial condition to warrant the new undertaking.

Annual reports by municipalities, it is suggested, should be prepared on standard forms similar to those used by the Investment Bankers' Association, the Dominion Mortgage & Loan Association and the Citizens' Research Bureau and these forms should be carefully analyzed by the board and any tendencies toward maladministration immediately corrected. The board should also take immediate action at the first indication of an unduly high percentage of tax arrears and, if necessary, appoint an administrator to co-operate with the municipal council. The administrator would have complete authority to deal with assessments and tax levies and to veto any expenditures proposed by the municipal council, which would endanger the financial condition of the municipality or interfere with its gaining a sound financial position.

Would Have Inspectors

The recommendations of the association also include the appointment of municipal inspectors through whom the board would get interim reports and these inspectors could correct such abuses as engineers being paid on a commission basis or councillors getting paid according to the number of meetings held. Loans for schools and local improvements could also be closely scrutinized since a great deal of over-borrowing by municipalities is traceable to these items.

The proposals made by the investment bankers are in line with legislation which has been in operation for some time with good results in other provinces, notably Quebec, Saskatchewan and British Columbia. It is pointed out that the record of Ontario municipalities has been so outstandingly good for the past two or three decades that there has not been any need for a very close supervision of municipal affairs but that the wave of prosperity in the past several years brought about extravagant expenditures which under present conditions are exceedingly burdensome with a consequent need for close provincial supervision in a number of cases. Recent default by two municipalities, with several others known to be in a difficult position, gives added point to more stringent legislation with respect to municipal finances.

Opposition to increased provincial jurisdiction over municipal borrowing powers has been voiced in some cities in the province. Representatives of the bond dealers and large investors, on the other hand, favor the plan and feel that it offers greater protection to the investor as well as providing a suitable check on injudicious municipal spending or administrative incompetence which might occur only in a few municipalities but which might adversely affect the credit of other Ontario centres.

Cattle Shipments Ease Up

There were no shipments of cattle to Great Britain during the week ending December 3. The "Manchester Division," arriving November 24, carried about 60 good feeders. Others were mostly of common quality.

New Control Board For Saskatchewan

From Our Own Correspondent

REGINA.—There are rumors here of extensive reorganization of the Provincial Treasury Department, with the bringing in of an eastern financial expert, who will assist the government in dealing with some of its financial problems. These have been strengthened by publication of the fact that "eastern financial interests" were responsible for recommendations adopted by the government in connection with the Saskatchewan Co-operative Creameries. It is understood that outside examination of the financial situation was considered desirable and that investigation resulted in representations to the government that the situation respecting the Saskatchewan Co-operative Creameries Company should have immediate attention.

Park Lane Bondholders Asked to Deposit Bonds

First mortgage bondholders of Park Lane Corp. have been asked to deposit their holdings with a protective committee. Unless 70 per cent of the outstanding bonds are deposited December 1 interest will remain unpaid although sufficient cash has been deposited by S. F. Weaver, president of the company, to meet interest due providing sufficient of the bonds are deposited.

Re-organization of the company may be proposed at a later date. Earnings of the property, an apartment hotel in New York City, have been reduced by disturbance caused by nearby construction and later by general business conditions. Offering was made in 1925 of $1,750,000 of first mortgage leasehold 6½ per cent sinking fund gold bonds of which there remains $1,579,400 outstanding. A substantial offering of the bonds was made in Canada. The protective committee consists of Frederick T. Sutton, D. I. McLeod and R. E. Lee.

Pedlar People Bonds Redeemed at Premium

All outstanding first mortgage serial bonds of The Pedlar People, Ltd. are to be redeemed on January 1, 1932, at a premium of 2 per cent. The bonds which bear a coupon rate of 8 per cent were issued in 1921 to the amount of $500,000 with serial maturities calling for redemption of $25,000 of the issue on January 1 in each year from 1923 to 1940 inclusive, with $50,000 maturing January 1, 1931. Serial maturities now outstanding would amount to $250,000.

The company, with head office and plant at Oshawa, Ont. is engaged in the manufacture of sheet metal work of various kinds, stampings, etc., and is privately owned. Offering is being made of a new issue of 6 per cent first mortgage serial bonds to the amount of $200,000 and present bondholders are being given until December 19 to subscribe to the new issue.

Dominion Bridge Plant Is Extended at Burnaby

From Our Own Correspondent

VANCOUVER. — Additions to the Burnaby plant of the Dominion Bridge Co., near Vancouver, are practically completed. The new portion of the plant was designed and will be equipped for the processing of large diameter steel pipe.

According to A. S. Gentles, general manager of the Pacific division of the Dominion Bridge Co., the extension construction was made of steel fabricated in Vancouver and the work was done by the company's employees. It will step the capacity of the plant up to 600,000 tons monthly. Equipment was brought from eastern Canada.

Operation of the new plant will provide more employment, depending on the demand for the company's products. At present more than 200 men are employed. The company originally intended to build the plant next year, but a desire to take care of all business on the ground prompted it to proceed now, according to Mr. Gentles.

Bond Tenders

4 o'clock, Dec. 15, City of Levis, Que.—$30,000, 5 per cent bonds, dated Jan. 1, 1932, redeemable serially from Jan. 1, 1933 to Jan. 1, 1952, payable at the Banque Canadienne Nationale at Levis, Quebec or Montreal. L. Lemieux, clerk.

Dec. 14, Village of Bath—$7,500, 5½ per cent Hydro bonds, 20 years, dated Dec. 1, 1931. E. P. Shephard, clerk.

4 p.m., Dec. 11, Province of Prince Edward Island—$600,000 5 per cent sinking fund bonds, interest payable semi-annually at Charlottetown, Montreal or Toronto. Bonds are dated December 1, 1931, and tenders are asked on a basis of 10 or 20 year maturity. Bonds are registerable as to principal. Denomination, $1,000 or to suit purchaser. Of the total $150,000 is for highway improvement and $450,000 for funding. Total debenture debt of the province, including present call, is $2,704,000 against which sinking funds total $503,000. James D. Stewart, premiem. See notice on Page 8.

1 p.m., Dec. 11, Leamington, Ont.—$15,760 5½ per cent 15-year installment debentures; interest payable annually. R. M. Selkirk, town clerk and treasurer.

Nepean Township, Ont.—Is preparing an issue of $65,968 5 per cent 30 e.a.i. debentures for delivery at the end of 1931. Bids are asked for not later than December 11. A. E. Morris, township clerk and treasurer, Westboro, Ont.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
Cascade Water Power	4½%	1940	†May 1/32	100
Interlake Tissue Mills	*6%	1935	Feb. 1/32	101
Maine & N.B. Electrical Power	*6%	1948	Jan. 1/32	107½
Imp. Realty	*6%	1945	Jan. 1/32	103
Mt. Royal Tunnel & Term.	*5%	1970	Apr. 15	100
Pedlar People	8%	Serial	Jan. 1	102
Foreign Issues—				
City of Oslo, Norway	5½%	1946	Feb. 1/32	100

*Called in part.
†Or before.

MAY TAKE OVER HALIFAX HOTEL BOND CHARGES

Lord Nelson Hotel Co. Debt Guarantee By C.P.R. Likely

From Our Own Correspondent

MONTREAL.—With compliance given by the bondholders as to certain conditions, the Canadian Pacific Railway will pay all interest and sinking funds charges on bonds of the Lord Nelson Hotel Co., of Halifax, until maturity.

H. R. Silver, president of the company, is quoted as saying that the Canadian Pacific is willing to undertake these guarantees from November 1, 1931, until maturity, provided that the rate of interest would be reduced to 4 per cent per annum, and that the sinking fund payments falling due in November, 1931, and November, 1932, would be waived.

It is said that steps are being taken to have a meeting of the bondholders, when the arrangement will be submitted for approval and authority secured to change the trust deed.

C. P. Has Junior Issue

The Lord Nelson Hotel Co. came into being about four years ago for the purpose of building a modern seven-story, 200-room hotel at Halifax. A bond issue of $600,000 of 6½ per cent first mortgage bonds was publicly floated. In addition part of the preferred stock was sold locally, the balance being taken up by the Canadian Pacific Railway, which holds $350,000 out of $640,000. Control of the common lies with the railway.

In the initial operating period from October 15, 1928, to December 31, 1929, a gross income of $450,872 was reported. Operating expenses required $385,986, leaving a balance of $64,886 against bond interest requirements of $45,500. After setting up a depreciation reserve of $25,000, there was a deficit of $6,471.

No financial statement was issued for 1930, but early in 1931 management and operation was taken over by the Canadian Pacific Railway.

WILL REMODEL NFLD. TREASURY

British Treasury Official is Placed in Charge of Overhaul

Forecasting a re-modelling of the Newfoundland's finance department, Premier Sir Richard Squires has announced that J. H. Pension, of the British Treasury, has been appointed temporarily to the post of deputy minister of finance in place of J. S. Keating, resigned.

The official statement is as follows: "The Government has decided to inaugurate a new and improved system of financial control which will ensure greater efficiency and economy in the expenditure of public money. The present system, which has existed ever since Newfoundland obtained responsible government, has been responsible for considerable waste of public funds.

"Under the new system no expenditure of any kind will be recognized as payable out of the exchequer unless such expenditure has been duly authorized in advance by the department on whose vote the expenditure falls. Moreover, no new expenditure is to be incurred or authorized by any department, even though such expenditure may be included in the estimates of the department unless the prior consent of the Department of Finance has been obtained.

"In order that the new system, which is similar to that obtaining in the United Kingdom, may be successfully and expeditiously put into force, the government has requested J. H. Pension, of the British Treasury, to undertake temporarily the duties which under the new scheme are assigned to the deputy minister of finance. Mr. Pension has agreed to this proposal and will take up his duties as acting deputy minister of finance at once."

Canada's Aluminum Exports Gain Sharply in October

From Our Own Correspondent

MONTREAL.—Canada's increasing importance in the world aluminum trade, is apparent from examination of export figures during October last, when 97,871 cwt. of aluminum, valued at $1,380,750, were exported from the country. This compares with 9,932 cwt., worth $217,183 in September and 12,489 cwt., valued at $230,978 in October, 1930.

The marked increase in exports during October is attributed to the proposed formation of an international cartel of aluminum producers to stabilize the price of aluminum by adjusting production to demand.

The dominant company in Canadian aluminum industry is Aluminium Ltd., holding company for operating units of the Dominion and in foreign countries.

Regina Postpones Tax Sale

Postponement of Regina's annual tax sale has been postponed two weeks to December 14 to allow property owners in arrears further time to redeem their property. Originally the tax sale list stood at $226,700 the highest in the history of the city but by December 1 almost 38 per cent of properties listed had been redeemed.

FUNDAMENTAL TRUST Payments

Distribution of 15.6 cents per share will be made on Fundamental Trust Shares, series A, on December 31, while shares of the B series will draw 30 cents of which 14.637 cents will be withdrawn from the reserve fund. On June 30, 1931, 22½ cents was paid on the A shares and 30 cents on the B shares. Canadian shareholders will receive somewhat more due to the premium existing on United States funds.

Loans to Provinces Advanced by Ranks Reach New High Mark

Total Was $38,343,852 at October 31—Increase Rapid

MUST BE REDUCED

Municipal Loans at $113,836,283 Are Too High—Difficult to Fund Debt Now

The Canadian provinces were indebted to the Canadian chartered banks to the extent of $38,343,852 on October 31, 1931, and this amount represents the high point for all time as shown by the monthly bank statements. On the same date, Canadian municipalities owed the banks $113,836,283, which, though it is under the indebtedness reported for previous months of the current year, is decidedly higher than normal for this time of the year. Never in October of any previous year have bank loans of municipalities been so high.

The extent of the banks' loans to both provinces and municipalities lends added point to the pressure being brought to bear on almost every taxing unit across Canada to reduce expenditures, to go after tax arrears and to balance the budget.

Bank loans must be reduced. But few of the provinces could sell their bond issues at the present time. The increase in loans made by the banks to the provinces amounted to $5,400,000 in October, $8,200,000 in September, $7,100,000 in August and $1,500,000 in July. A comparison of the volume of bank loans to the provinces at the last day of each month since January, 1929, is as follows:

Bank Loans to Provincial Governments

	1931	1930	1929
	$	$	$
Jan.	26,311,619	21,288,015	22,094,448
Feb.	24,439,279	17,951,685	21,728,019
Mar.	20,518,404	18,863,770	24,719,099
Apr.	31,143,271	13,032,201	24,598,599
May	22,855,746	14,694,845	15,792,553
June	16,197,824	8,715,400	19,602,906
July	17,687,822	7,983,617	9,305,052
Aug.	24,784,089	14,087,813	12,243,291
Sept.	32,986,243	16,008,878	16,270,196
Oct.	38,343,852	18,970,357	16,123,281
Nov.	......	28,618,457	21,848,747
Dec.	......	29,680,467	24,975,672

From this comparison it may be seen that in no month since September, 1930, has the total of loans been below that of the corresponding month of the previous year. Furthermore, in five of the ten months of the current year loans have been twice, or more than twice, the total shown in the corresponding month of 1930. The average monthly indebtedness of the provinces to the banks during the first 10 months of 1931 has been $26,126,814 as compared with a monthly average of $15,159,558 in the first 10 months of 1930, and an average of $18,320,744 in the same period of 1929.

Falling revenues experienced by each of the provinces, without any corresponding reduction in expenditures has resulted in deficits for most of the provinces which have been met by current loans from the banks. Inability to fund this debt has brought about the present situation. Dominion aid has already been extended to certain of the provinces to assist in meeting maturing obligations and a portion of the proceeds of the recent National Service Loan were for this purpose.

Conditions in the bond market are not conducive to a ready marketing of securities at this time. No demand exists at present in any volume for the bonds of the Western provinces and immediate financing is therefore out of the question. Ontario and Quebec will both be coming into the market in the next few weeks. Ontario, it is unofficially reported has rejected a private bid submitted by a syndicate within the current week and may be expected to hold up financing until the end of December. Prince Edward Island is seeking tenders on an issue of $600,000 despite considerable opposition from investment houses. This is a large issue for Canada's smallest province and a failure to get a satisfactory bid might endanger chances of other provinces borrowing.

Investment bankers feel that the solution of the problem of provincial financing can only come through a process of orderly marketing that will take fullest advantage of market conditions. Ontario and Quebec, being in the strongest position, will have first call and may be followed by Toronto and Montreal. The Eastern provinces would then have a chance to offer securities and with improvement in market conditions the Western provinces, headed by Manitoba, might float issues. This is expected to be the trend during 1932 and injudicious financing is apt to prove unsuccessful. There seems small chance of placing bonds in New York during the greater part of 1932 and bond issues must be sold entirely in Canada.

Rhodes is Named Finance Minister

From Our Own Correspondent

OTTAWA.—Cabinet reorganization will be carried out immediately following the return of Rt. Hon. R. B. Bennett.

Hon. E. N. Rhodes, minister of fisheries, and acting minister of finance, will be made permanent in the latter portfolio. He will begin immediately to prepare for his first budget. The decision to promote Mr. Rhodes, it is believed, is by no means unanimous on the part of the cabinet, but a majority of the ministers are in favor of him.

Directors Are Split On Sask. Creameries

Majority Favors Exchange of Shares For Those of New Company; Re-organization Essential; Deficit is $1,671,343

From Our Own Correspondent

REGINA.—Two different factions of the Board of Saskatchewan Co-operative Creameries are asking for proxies for a special general meeting of shareholders which is to consider the future fate of the company. The plan offered by the majority of the directors, headed by O. W. Andreason, president, is that all shareholders of whatever class, shall surrender their shares in exchange for shares in a new company to be organized, which is expected to take over the enterprise. The old shares have a $10 par value; the new shares would be of no par value, non-voting, non-cumulative, but redeemable at $2.50 each.

Where the capital for the new company is to come from has not been indicated, but from the fact that the project is referred to as a co-operative one, and from hints contained in a letter from the dissenting directors, it is assumed that it is hoped gradually to accumulate capital out of deductions made from the value of cream received by the new company. The dissenting directors do not offer an alternative plan which would enable the company to carry on, and their opposition appears rather to be based on the hope of persuading the government of Saskatchewan either to allow operations to continue as at present, or to provide something for the shareholders.

Mr. Andreason's letter to the shareholders declares that at present not only has the entire capital stock of the company been lost, to the amount of $1,392,379, but in addition there is a deficit of $278,964, making a total loss of $1,671,343. While government assistance and guarantees have enabled it to continue in operation up to the present, the government cannot allow the present losses to continue without some action being taken. The statement is made that efforts were made, without success, to find a purchaser for the company's assets, and the only alternatives are now either liquidation or reorganization.

"Eastern financial interests," according to the letter, have investigated and have recommended that a new company be created, to take over the assets and liabilities of the present company, and that the provincial government temporarily, through a small board of directors appointed by it, carry on business until such time as the dairy producers of the province are prepared to take over the business of the new company and operate it as an out and out producers' company, or until a satisfactory offer to purchase can be obtained.

After outlining the proposal for exchange of shares as above given, the letter states it as the opinion of the board that there is a "fair chance" of the new shares becoming valuable, as the result of a complete cancellation by the government of its share interest of $413,463, and release by the government of its interest in the uncalled capital of the company, as well as by savings to be effected by general economies and by closing down of certain plants.

W. J. Redmond, one of the dissenting directors, it is understood, favors a plan whereby the government should write off $1,000,000, including not only its stock interest, but also a large amount of its advances. The government's stock interest arises out of advances made prior to amalgamation with Caulder's Creameries, and from a recent purchase of shares from J. A. Caulder.

The United Farmers organization at Saskatoon have published a statement reiterating a suggestion formerly made that individual creamery plants should be sold to local producers, to be paid for out of deductions from cream cheques.

J. A. Caulder has continued his controversy with the Provincial Government by repeating his former statement that members of the government promised him, before he consented to sell the government his "A" class voting shares in the company, that other holders of the same class of shares would be given equal treatment. He also contends that the form in which figures relating to the Saskatchewan Co-operative Creameries have been given to the public do not accurately reflect the improvement made after the amalgamation with Caulder's Creameries took place, and while the institution was under his management.

Class A Shares Vote

An interesting feature of the case is that while the government purchased Mr. Caulder's shares in order to acquire control of the company, all voting rights, on account of default of dividends, being vested in the "A" class shares, it has not control for the purpose of such a re-organization as is planned, which requires confirmation by a vote of holders of three quarters of the shares of each class.

There is grave doubt here as to the possibility of persuading creamery customers to contribute more capital to the creameries enterprise, and of the success of the company in retaining customers against competition if deductions from settlements were made for the purpose. There is a feeling that both because of the money involved and of the importance of the dairy industry, it would be most undesirable for the government to close down the enterprise, and consequently it will be necessary for the government to keep it going for a time. But reasonable offers to buy all or any of the creamery plants are likely to be entertained.

Summary of Week's Annual Reports

A brief analysis of company earnings per annual statements received since last week's issue. Company name in bold type indicates stocks listed in Canada or New York. Net income shown is before preferred dividend, if any. Market prices are at close on Tuesday this week or last sale.

Company	Year end	Net income 1930-31	Net income 1929-30	Common earnings 1931	Common earnings 1930	Curr. divd.	Balance car. fwd. 1931	Balance car. fwd. 1930	Mkt.	Mkt. times earn.	Yield
		$	$	$	$	$	$	$			%
Dominion Glass Co.	Sept. 30	374,495	506,809	4.53	7.64	5.00	1,350,685	1,455,690	82	18	6.1
Canadian Industrial Alcohol Co.	Sept. 30	*504,120	*119,812	...	...	...	†3,041,072	†89,755	2	...	...
Beatty Bros.	Aug. 31	119,797	622,293	...	3.61	1.00	2,091,415	2,151,894	10	...	10
Bruck Silk Mills Ltd.	Oct. 31	8,152	*34,045	0.08	...	...	387,927	375,560	4½	56	...
Guelph Carpet & Worsted Spinning Mills, Ltd.	Sept. 30	97,682	95,465	1.05	0.87	1.00	40,632	39,015	...	...	...
Dominion Bakeries Ltd.	Aug. 31	*116,617	*7,510	...	...	...	†110,822	5,795	...	...	...
Canada Dry Ginger Ale Inc.	Sept. 30	1,685,614	3,402,335	3.33	6.64	3.00	4,699,383	4,676,563	16	4.8	18.7

* Loss for year after provision for depreciation and reserves for bad and doubtful accounts.
† Deficit deductable from capital.

Vancouver Accepts Lower Gas Rates

From Our Own Correspondent

VANCOUVER.—Revised lower gas rates offered by the B. C. Electric Railway, owned by B. C. Power Corp., have been accepted by the Vancouver city council. In the schedule meter rents of 25 cents a month are abolished and minimum charge for slot meters is reduced from 75 to 50 cents.

The new rates, which will go into effect shortly, provide for a charge of 50 cents for the first 100 cu. ft. or less; $1.25 per 1,000 cu. ft. for the next 900 cu. ft.; $1.20 per 1,000 for the next 19,000 cu. ft. and $1.15 per 1,000 for the next 20,000 cu. ft.

Existing gas rates are $1.40 for the first 1,000 cu. ft.; $1.25 per 1,000 for the next 4,000 cu. ft.; $1.20 per 1,000 for the next 15,000 cu. ft. and $1.15 for the next 20,000 cu. ft.

Under the new schedule the first 1,000 cu. ft. will cost $1.62, compared with $1.40 under the old price. With the abolition of the meter rent, however, the net cost will be $1.37.

For users of 5,000 cu. ft. per month the cost under the new schedule minus meter rent will be $6.42, while under the old schedule, with a 25 cent meter rent, the cost would have been $6.45.

Obituary

Clarke S. Jennison, of Toronto, died suddenly in Montreal of heart failure, aged 49 years. He was president of Jennison and Co., chairman of the Brewing Corp. of Canada, and a director of other enterprises.

William Triggs, president and manager of Triggs Insurance Service Co., of Toronto, and former president of the Toronto Life Underwriters' Association, died at his home in his 83rd year.

T. E. Bissell, founder and president of T. E. Bissell Co., Elora, Ont., died at Guelph, Ont., on December 5. Mr. Bissell was actively engaged in the manufacture of agricultural implements from 1893 to 1928.

Norman W. Tovell, member of the Toronto Stock Exchange, died at his home in Toronto on December 7 at the age of 51 years. In 1910 he became a member of the brokerage firm of Brent, Tovell & Co. and was later president of Norman Tovell & Co.

75,745 Radio Sets Sold in Canada in Half-Year

Analysis of radio production and sales for the first half of this year, by the Dominion Bureau of Statistics, shows that a total of 70,538 machines were completely manufactured or assembled in Canada during the six-months' period.

Inventories as at June 30, 1931, stood at 32,388 machines compared with 25,852 at December 31, 1930.

Sales of receiving sets by authorized manufacturers and importers in Canada during the same period amounted to 75,745 sets valued at $6,385,555 at factory selling prices.

Licenses to operate receiving sets issued by the radio branch of the Department of Marine at Ottawa during the first six months of this year numbered 472,310, which compares with the total of 599,116 for the whole year 1930.

Guide Aeroplanes by Radio

A radio directional system for aeroplanes carrying mail has been installed at Red Deer, Alberta, by the Department of National Defence, and is now in operation. The new station is the fifth of its kind to be established along the air-mail route in Western Canada, and a complete service for blind or night flying, is now functioning along the whole of the route, which runs from Winnipeg via Lethbridge to Calgary and from the latter place to Edmonton.

The Book of the Hour

"A World on Gold Rations"

By STANLEY McCONNELL.

"I have tried to present in non-technical terms the monetary disease . . . which is destroying the fabric of our civilization."

"The pressure of the deflationary gold standard upon exchange has driven out of circulation food, merchandise, and labor, which alone can support life."

One Dollar Postpaid.

COMMONWEALTH PUBLISHERS LIMITED
70 GRENVILLE STREET, TORONTO, ONT.

ARLAC FIFTY

AUTOPRINT ROTARY DUPLICATOR
SOLD BY
MURDOCK STATIONERY, TORONTO — STENCILS LIMITED, MONTREAL

INVESTMENT SECURITIES
T. M. BELL & COMPANY LIMITED
Head Office: SAINT JOHN, N.B.
Moncton Fredericton

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

Black & Armstrong
Real Estate, Valuations, Rentals
Farm Lands, Mortgages and Insurance.
200 Toronto General Trusts Bldg.,
Winnipeg, Manitoba

INVESTORS' CHRONICLE
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain.
Under the head of "OVERSEAS FINANCE," a weekly feature, the Foreign Exchanges and the factors that affect them are carefully reviewed by cable and mail.
Special Correspondents at all Financial Centres at Home and Abroad.
Signed articles appear in each issue on Economic Subjects.
A free specimen copy will be forwarded on post-card application to:—
THE PUBLISHER, INVESTORS' CHRONICLE, 20, BISHOPSGATE, LONDON, E.C. 2, ENG.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY - CANADA

The Western Savings and Loan Association
First Mortgage Loans
Agencies throughout Manitoba, Saskatchewan and Alberta
Head Office: Winnipeg, Man.

CANADA PERMANENT MORTGAGE CORPORATION
Quarterly Dividend
Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of
TWELVE PER CENT. PER ANNUM
on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable
SATURDAY, THE SECOND DAY OF JANUARY
next, to Shareholders of record at the close of business on the Fifteenth day of December, 1931.
By order of the Board,
WALTER F. WATKINS, Secretary.
Toronto, November 18th, 1931.

OSLER, HAMMOND & NANTON
LIMITED
WINNIPEG
STOCKS and BONDS
INSURANCE—FIRE, HAIL, CASUALTY, etc.
MORTGAGE INVESTMENTS

OVER 1,300 Canadian Companies
COMPLETELY REVIEWED IN
THE FINANCIAL POST SURVEY OF
CORPORATE SECURITIES

THE 1931 edition of The Financial Post Survey of Corporate Securities is of the greatest possible value to investors. It shows the earnings and balance sheets of over 1,300 Canadian companies for the difficult year of 1930, in comparison with previous years.

Complete information is given about each company in a compact, concise manner.

All new companies formed in the last year are covered.

A section on Fixed Trusts is included.

Each chapter is introduced by an analysis and review of the industry as a whole and the relative position of principal companies is discussed.

Send your $2.00 now so that a copy will be sent to you immediately.

ORDER COUPON

THE FINANCIAL POST,
153 University Ave., Toronto.

Attached is my $2.00. Send me a copy of The Financial Post Survey of Corporate Securities, 1931.

Name ....

Address ....

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Manager—GORDON RUTLEDGE
Editor—FLOYD S. CHALMERS

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C. inspection.

ADVERTISING RATES

Single Insertion—$3.65 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5.00 per year; all other countries, $6.00.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
143 University Ave., Toronto 2

MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. GT. BRITAIN, London, The MacLean Co. of Great Brittain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.

THE FINANCIAL POST BUSINESS YEARBOOK. Yearly, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES. Yearly, $2.
THE FINANCIAL POST SURVEY OF MINES. Yearly, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES. Half yearly, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE. $20 monthly. Special prices for selected part service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, DECEMBER 12, 1931

JOINT MANAGEMENT FOR RAILWAYS

THE railways have done the proper thing in enforcing the majority report of the board of conciliation, which recommended a ten per cent cut in the wages of their workers. The investigation was fairly conducted and, in refusing to accept the award, the railway unions are not playing the game fairly with the public.

Railway affairs shift to a larger arena with the whole question under consideration by the Duff Commission. There are, of course, the usual hints that the railway commission has been given its orders and that the tour of investigation is simply so much stage-play designed to create a favorable public mood for the reception of a plan already worked out. One has only to consider the personnel of the commission to dismiss such an idea as quite improbable. Nevertheless, the trend of business thought on railway matters has been veering around to the definite idea of some form of amalgamation which would not extend to a corporate amalgamation. It has been previously regarded as politically impossible to put the Canadian National under private ownership or management but in days like these nothing is politically impossible. Certainly a compromise would not be politically impossible.

The Canadian National has been operated on a basis half private, half public. A supposedly independent management, including a board of private directors, has run the road. But it has been constantly dominated by political influences. The road has been neither wholly independent of government nor wholly political. The system has failed to work well. It has brought operating efficiency and extravagant capital expenditure, a thoroughly unsatisfactory combination.

Undoubtedly there are powerful influences at work to make the Canadian National Railways more a department of the government. The Financial Post finds it difficult to believe that the Bennett administration would favor any such move. And undoubtedly it would bring the resignations of many of the C. N. R's most capable men.

Whatever the commission may recommend, a likely turn of events will be for the Canadian National and the Canadian Pacific to be merged for operating purposes under a single management, probably a combination of the present managements of the two lines. To all intents and purposes, the roads would be operated as one line.

All bond and debenture issues of both lines would be virtually guaranteed by the government as would the preferred shares of C. P. R. Common stockholders of C. P. R. would be assured of their present five per cent dividend. Provision would be made that they would receive an additional five per cent (bringing their total dividend back to the ten per cent they formerly received) if the money could be found out of increased revenues or greater efficiency. After that, surplus revenues as earned, (and in normal times they would be very substantial) would be used first to set up a fund to finance equipment purchases and, second, to repay the people of Canada for advances made by the government.

It is interesting to see what this would have meant on the basis of the best year the two roads had—1928. The Canadian National earned about $7,000,000 toward government interest in that year but as more than $5,000,000 of its revenue was a direct contribution from the public treasury to meet the deficit on eastern lines and as the profit and loss deficit was higher than the income deficit it had a net deficit of about $1,000,000 before "dividends" to the government. C. P. R. had a surplus of $44,000,000 before dividends. Thus the net sum available for dividends was $43,000,000. However if the two lines had been amalgamated in 1928 a cut of 20 per cent in expenses could easily have been expected, or $85,000,000, bringing net income to $128,000,000 which would have paid ten per cent on C. P. R. stock and shown the people of Canada a further profit of over $90,000,00.

On a same basis, 1930 would have shown a net return of over $35,000,000, all available to relieve taxation.

This is rough and ready figuring but it indicates the basic reason why operating amalgamation is seriously considered by business men. Of course, there is always the danger that one big railway would in time develop the usual weaknesses of a monopoly or combine.

MERGER MUDDLES

THE past quarter of a century, and more particularly the last five years, have brought to light ample evidence to cast doubts on the lasting benefits of consolidations or mergers. It would be futile to say that mergers are not in themselves worthwhile, but the percentage of failures is so great that a prosperous and well-founded merger is perhaps the exception rather than the rule.

At the moment a movement is underway having in mind the setting up of a consolidation of the major Eastern newsprint companies which, in appearance and intent, might well be called a combine. Canadian bankers are behind this merger. Our bankers have given Canada better banking leadership in recent years than has been given to any other country. But our bankers are not business men, they are not salesmen, they are not even good interpreters of public opinion. They see a newsprint merger from the financial side and do not see the more important implications.

No one will deny the importance of the well-being of the newsprint industry to the Dominion, nor that it is in serious need of some immediate remedial action to put it on a sound footing. But the dangers of a merger, such as is proposed, are apparent even to those unfamiliar with the situation. Any organization, even remotely resembling a combine, inevitably leads to antagonism. Monopolies tend to become bureaucratic, progress is stifled. The hugeness of such an enterprise makes for unwieldiness and the lack of that intimate touch with market requirements which is the proper foundation for success.

It is generally admitted by newsprint executives that the greatest need of the industry today is contracts for additional newsprint tonnage. Those in favor of a merger say that more tonnage would be secured. Many arguments, both pro and con, could be made on that point. It is sufficient, however, to take the experience of the United States Steel Corp., regarded as one of the most successful consolidations effected in the United States. Production of that organization in 1901 represented 65 per cent of the total United States production of ingots for that year. Last year their share of the total ingot production was 41 per cent.

This would tend to substantiate the argument that it is impossible for one single organization to retain the preponderating share of any business. At the time of its formation U. S. Steel had material advantages in respect to ownership of coal and ore mines and large reserves of both, their own railroads, lake steamships, etc., also widely distributed plants, which made its position much more impregnable than would be the position of a Canadian newsprint monopoly.

The immediate benefits of a newsprint merger however, are dwarfed in the greater consideration that the Canadian industry cannot afford to antagonize the United States publisher. The paramount factor to bear in mind in creating an organization or plan for alleviating the present unsatisfactory position of the newsprint industry, is the retention of the goodwill of the publisher. Two American business papers have already suggested that the proposed merger will antagonize American publishers. The papers are the Journal of Commerce and Business Week. That United States publishers are rebelling against what they consider dictation by Canadian newsprint companies is shown in their recent large purchases of European paper.

COST REDUCTION WAY OUT OF DEPRESSION

THE Cochrane Northland Post writes a long and critical article to object to two basic policies urged by The Financial Post. The Northland Post feels that the business depression would be further aggravated by general adjustment of salaries and wages, and that the same result would follow from a decrease in government expenditures. It offers as a solution of the depression a general clean-up in the capitalization of some of the country's leading industries and utilities. Squeeze the water out of their stock and they would be able to pay both good wages and good dividends, the Northland Post declares.

With the argument that overcapitalized enterprises should be reorganized in line with realities and true values, The Financial Post is in thorough agreement and it has long contended for this policy not only in general but in the case of many specific industries. But it is expecting too much to suggest that such a policy would provide any corporation with additional profits with which to pay larger wages. And companies that are not paying dividends can not divert anything from their shareholders to their employees. As investors know only too well the shares of most of our inflated mergers are kicking around the markets at a few cents or a few dollars a share, and the actual total market value of the bonds and stocks of most Canadian companies are below, rather than above, their real value and their real earning power. Easing out the water will merely bring capitalization figures down to market values and will not generally add to earning power.

The Northland Post seems to feel that reduction in wages will put the burden of the maladjustment of the economic system upon the back of wage earners and it considers this a vicious principle. Here we have the old conflict between the theory held on the one hand that wages and wages alone create purchasing power and thus prosperity, and the theory that prosperity and purchasing power create the funds from which wages may be paid. The viewpoint The Financial Post has expressed frequently is that the cost of production of articles into which wages enter must be brought down in order that there may be a basis of exchange of these articles for the products of the farm and of other primary producers and that, as wages are an important factor in the cost of production, wages must, generally speaking, come down. Most of the present high wage scales were granted because of the increased cost of living. With the declining cost of living it will be possible to adjust wages downward without reducing the real purchasing power, in terms of commodities, of any individual. Most working men prefer a full week's work at a wage in line with the price level than two or three days work a week or no work at all at an hourly rate based above the present cost of living.

Full time employment at a reasonable wage means greater prosperity than short time employment at high hourly rates experience shows.

The Northland Post finds in our suggestion for decreased governmental expenditures another plan to aggravate the depression. It feels that if the governments were to stop spending money or were to slow down their expenditures on relief that many people would starve to death. Those who are in receipt of large incomes from the development of the natural resources of the country should be willing to stand by the country in times of need, it is argued. The Financial Post feels that the government relief schemes have piled such a burden upon private business that many projects that would otherwise have been gone ahead with have been stopped, and thus the jobs supposedly created by government funds have killed off even more jobs that would have been created by private initiative if private initiative had been given half a chance.

What will bring prosperity to Canada is to reduce our national cost of production to a level at which we can compete with any other country. When we have achieved that stage we will be in a position to give every man and women in the country a job at a good income, and it will be prosperity all around, such prosperity as we have never previously enjoyed. We cannot attain such a position so long as our governments continue extravagantly to spend money in a vain and futile attempt to keep money in circulation.

LEGISLATORS AND LOAN SHARKS

WITHIN the next two months legislators will be once more in the thick of sessional deliberations and while there are many weighty problems of finance and taxation to be settled, The Financial Post believes that the iniquitous operations of loan shark companies who are taking a usurious toll from thousands of honest citizens in all parts of the Dominion, and whose activities were disclosed in a series of articles recently published in this paper, should receive attention.

Already one province has taken up this matter as a result of The Financial Post disclosures and is taking steps to find out what can be done to curb the operations of companies which operate publicly in our big cities and which charge anywhere from 500 to 200 per cent for small chattel mortgage loans, in open defiance of federal and provincial interest laws. One provincial attorney-general admitted to The Financial Post that the laws in his province were quite inadequate to cope with this situation which affects the pocketbooks of thousands and thousands of wage-earners and salaried men and women who from time to time find it necessary to borrow money but who lack proper collateral to use chartered bank facilities. He referred to the question of jurisdiction as being one of the stumbling blocks in the way of a proper solution of this question but expressed his belief that definite action would have to be taken very soon to curb usurious practice and lay a sound legal foundation upon which legitimate small loan companies could operate.

This problem should be aired at Ottawa and by the several provincial governments during present or coming sessions, and if it is found that jurisdiction as between the provinces and Ottawa is an obstacle toward its solution, it should be placed on the agenda for discussion at the next federal provincial conference so that present loopholes in our interest laws can be effectively plugged and small borrowers protected against outrageous exploitation.

California newspapers have agreed no longer to use the word depression except to describe a hole in the ground. But "a rose by any other name . . . ."

POST-scripts

DURING 1932 those who like long week-end holidays are going to be particularly favored. We have just received the first of our 1932 collection of calendars. This one comes from the Canada Cement Corporation whose calendars always have one merit, that of large and legible figures, a merit that more than makes up for any lack of pretty pictures.

New Year's Day comes on a Friday which means a three-day holiday for most people. February lacks a holiday wherein our country differs from United States which has two holidays, Lincoln's birthday and Washington's birthday, in the shortest month of the year. Incidentally Lincoln's birthday comes on Friday which makes another three-day holiday and Washington's birthday comes on Monday which is equally satisfactory.

Good Friday is early in the year, arriving on March 25. With Easter Monday following on the 28th there is a four-day holiday in store for some people anyway.

May 24 comes on a Tuesday and it is going to be a nice point whether people will feel themselves entitled to knock off Saturday noon and come back to work on Wednesday morning the 25th. Our guess is that only about one-half of one per cent of the working population will get a chance to do this.

The King's birthday, June 3, which is not generally observed as a holiday but which is officially that, comes on a Friday. Just another three-day holiday for the stockbrokers. Sure enough, July 1 also comes on a Friday, another three-day holiday for the lucky ones.

Here is another amazing fact; Labor Day comes on Monday. We don't know yet when Thanksgiving Day will come. It is fixed by proclamation but it is likely to be on Monday, October 10. Remembrance Day was supposed to come on November 11 but we see that this calendar has it down for Monday, November 7, which would indicate that they anticipate a reform of the Act of Parliament which gave this holiday its foolish tendency to float around in the middle of the week.

Christmas is going to be perfect again. It falls on a Sunday but the 26th, which is a Monday will, of course, be generally observed as a holiday.

On the whole we can hardly complain. There isn't a single holiday on a Wednesday or Thursday and only one on a Tuesday. All the rest fall on Monday or Friday.

New Books

"Limited Companies and Their Accounts"

A most comprehensive text book on the accounts of limited companies has been published by Prof. Walter S. Fergusson, of the University of Toronto, and his assistant, F. R. Crocombe. While comprehensive enough for a text book, the volume is, of course, written also with a view to also being an authority for the use of accountants and auditors.

'Limited Companies and Their Accounts" is published by the Commercial Text Book Company, Toronto, and sells at $4. It is a well bound, well indexed volume of 324 pages, profusely illustrated with reproductions of accounting forms and with sample set-ups of financial statements and book entries.

"Queen's Quarterly Review"

The current issue of the Queen's Quarterly more than maintains the high standards set in the past—of which an attitude of independence is by no means the least. Originally devoted to science and literature, the scope of the review has been broadened and, in the autumn, 1931, number, economics and politics are well represented. Dealing with current events, Grant Dexter writes on "The Canadian Political Scene;" W. C. Clark on "The Flight From The Gold Standard," and Duncan McArthur on "The British Election."

From Traquair's "Old Architecture of French Canada" to J. S. Woodward's dissertation on "Wheat and Politics on the Prairies" the features presented are chiefly Canadian in character. The writers represented are well known and highly regarded in their special fields. The Quartely, fostered by one of Canada's leading institutions of learning, is priced at 50 cents a copy and bespeaks for itself a still wider circulation among thinking Canadians.

"Unemployment"

A group of addresses given by Sir William H. Beveridge over the British Broadcasting System this year on the unemployment problem of Great Britain have been reprinted under the title of "Causes and Cures of Unemployment." To those who follow the British unemployment situation from a distance, these short studies by an economist who is recognized by a classical authority on the whole question of unemployment are exceedingly interesting. Sir William makes a clear and definite distinction between a scheme of unemployment insurance and government relief outside of actuarial insurance. He holds the view also that Britain can easily find prosperity in a drastic reduction in costs. The present unemployment insurance scheme provides Britain with too much rigidity in its wage levels and to that extent is an important contributor to depression.

"Causes and Cures of Unemployment" is published by Longmans, Green & Company, Toronto, at 85 cents.

"A World on Gold Rations"

It is generally recognized that this depression finds its basic causes in monetary factors. That the world's banking system has proven to be too loose a collection of central banks for effective control of prices, as well as of international investments and trade is generally recognized, and every effort is being made by the leaders of opinions and the leaders of finance to re-establsh the world's financial system on a basis that will avoid similar collapse at any future period.

The discussion has brought into the field as many amateurs as professionals and as many cranks as experts. A great deal of poppycock is being written and many conclusions are being drawn that are not at all justified.

"A World on Gold Rations" by Stanley McConnell is a book that attempts to indicate that the gold standard has brought the world to the edge of the abyss. It is not a well reasoned or very useful contribution to the study of the question and at a time when so many serious and worthwhile books on the subject are available, more than the ordinary business man can find time to real, this one may well be passed up.

It is published by the Commonwealth Publishers, Toronto. The price is $1, postpaid.

Empire Trade Survey

In view of current wide interest in British Empire Trade and preferences, all interested in this subject together with Canadian manufacturers interested in expanding their foreign sales, will find much of value in part V of a series of reports on the manufacturing industries of the British Empire Overseas, prepared by H. N. Carvalho and published by Erlanger, Limited, a London banking firm.

Part V deals with Newfoundland, British West Indies, Ceylon, Malaya, Hong Kong, Sarawak, Brunei, Borneo and rounds out similar analyses of the manufacturing industries in Canada, Australia, South Africa and New Zealand.

The analysis in each country is designed to give both a bird's eye view and also detailed statistics as to the production of and market for all raw and manufactured products in the various parts of the Empire. For instance in the current volume, a considerable amount of original information on Newfoundland giving an analysis of the occupation of its people, of the production of its wealth and detailed data as to the type of manufacturing carried on in the country, is presented in readable and interesting form. One exceedingly valuable table from the point of view of all interested in the Newfoundland market, shows all the main imports coming into Newfoundland together with the source of origin and the specific tariffs levied against each.

In the section dealing with the British West Indies a valuable diagram is included, showing by means of a circular charts the world's sugar supply for 1930-31 with the output of producing countries of between cane and beet sugar; the percentage which each producing country bears to total world sugar output," the estimated cost of production in some of the chief producing countries, and so forth.

The pamphlet is a very valuable statistical contribution to Empire trade.

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By F. S. C.

RUSSIA AND WHEAT

IT IS doubtful if it was ever more difficult to determine a fair market price for wheat, based upon the world's statistical position, than it is today. The reason for the present lack of relationship between price and statistical position is the uncertainty of the Russian situation. One day brings a report that Russia has large quantities of wheat to export; the next day that Russia is buying wheat. It is doubtful if even the Soviet authorities themselves have any adequate picture of the Russian situation. One thing seems to be certain and that is that Soviet financial authorities are manipulating the wheat situation to their own temporary benefit. Most of the interviews and news articles coming out of Russia relating to wheat are inspired for the purpose of effecting certain changes in the market that happen to fit in with the position of Russian traders.

Russia helped to engineer the first big rise in wheat prices but there seems to be plenty of evidence that the Soviet authorities took the occasion afforded by this rise to sell many millions of bushels of wheat short. When the decline came a couple of weeks ago these forward sales were covered, at a large profit, large enough in fact to look after one particularly large commitment that Russia had to meet in the near future.

Wheat experts have no doubts in their own minds that the underlying trend of wheat is upward and is bound to be upward until prices are nearer to one dollar than they are at the present time. But what the intermediate movements will be they are not attempting to forecast.

* * *

OUR STAKE IN NORWAY

IT MAY surprise Canadians to know that this country is one of the largest holders of investments in Norway. There is not a large amount of foreign capital in Norway. It is estimated that foreign holdings of Norwegian bonds total 143,000,000 kroner, and of Norwegian shares, 284,000,000 kroner. The kroner, at present values, is worth about 22c. Thus, on this basis, there is about $94,000,000 of foreign money invested in Norway.

Of the 284,000,000 kroner of Norwegian shares held abroad, France is the largest holder with 89,000,000 krs., Great Britain next with 43,000,000 krs., Switzerland next with 39,000,000 krs., Sweden next with 38,000,000 krs., and United States next with 25,000,000 krs. and Canada with 17,000,000 krs.

It is interesting to know that there is one Norwegian security, the Anglo-Norwegian Holdings, a whaling company, listed on the Montreal Curb Exchange. Ventures Limited owns a nickel refinery in Norway. But surely these two do not represent nearly $4,000,000! Possibly the true explanation is that Anglo-Norwegian Holdings is listed as the sole or chief stockholder in the several whaling companies it controls and the capital of these subsidiaries is therefore designated as Canadian whereas in reality only a small proportion of the holding company's shares are owned in Canada.

* * *

SUSPENSE IN EUROPE

THE lack of reliable news from Europe is providing an almost terrifying suspense for those who feel that the next major move in the world's economic position must come from somewhere on the continent. Even from authoritative sources very conflicting reports come, but there is some evidence that Germany is close to a political upheaval which will put the Hitlerites in power and greatly alter the aspect of negotiations regarding the tariff and the German commercial debts. When one considers that Schacht, former head of the Reichsbank is associated with Hitler and will likely be financial dictator of Germany if Hitler comes into power, one is inclined to feel that the entry of Adolf Hitler upon the scene of government would not be as disturbing to the world as some people seem to think. It is freely suggested that Hitler is a cloak for powerful German industrialists and financiers who are not by any means Socialist in viewpoint.

Germany has a large amount of money coming in from Russia and may not receive the payments when due. London, in turn, has much money owing to it from Germany, more even than the United States, and some early arrangement of this short-term commercial debt is essential to the solvency both of several important London financial institutions and of some large American banking institutions.

The deadlock between France and Germany on the question of reparations and commercial debts is bound to be broken in time, and the manner in which it is broken will have much to do with the manner in which it is received by financial markets.

* * *

IN THE meantime the British seem to be allowing the pound to slide. The movement is accompanied by much selling of British investments by British investors themselves. It seems that the stage is being prepared for devaluation of the British pound and, in this connection, it cannot escape the attention of Canadians that the recent decline in the Canadian dollar has followed very closely the decline in the British pound.

It would be difficult to say which of the major countries—United States, Britain, France, Germany and Italy is in the strongest position today. Not one of them is invulnerable.

B. C. Soil Survey Solved Many Irrigation Problems

The government of British Columbia has just completed a soil survey of the Peachland district and about 12,000 acres in the Salmon Arm district, and as a result the agricultural cultivation of the Okanagan may undergo a marked change, due to the solution of many of the problems formerly confronting the irrigationist, the horticultural expert, the plant pathologist and the individual orchardist.

The soil survey commenced in May this year following recommendations in the W. Sanford Evans reports and requests of growers themselves, showing the need for better knowledge in respect to the value and adaptability of lands. The government has stated that no new irrigation projects or extensions should be undertaken except upon the recommendations of a scientific survey of the lands to be served.

"Stop Me If You've Heard This One"

We wish we could present a photograph of the look on the face of the customs officer who examined the luggage of passengers on the train from New York to Toronto the other day. He knocked on the door of a drawing room. A lady's head appeared when the door was opened slightly.

"Oh, it's the customs," she said. "I am so sorry. I am not quite dressed and you can not come in. But I'll tell you anything you want to know."

An Exceptional Return

The present yield of over 5% from Dominion of Canada bonds compares with an average yield of 4.15% from such bonds during the first thirty years of this century.

Correspondence is invited.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Vancouver Victoria New York London, Eng.

Serving Canada's Baking Industry for more than sixty years

FLEISCHMANN'S
BAKERY SERVICE

Fleischmann's Yeast . Fleischmann's Baking Powder
Fleischmann's Arkady . Fleischmann's Panomalt
Quality Products of
STANDARD BRANDS LIMITED
HEAD OFFICE, MONTREAL
A Canadian corporation operating Canada's largest fresh food delivery system
MANUFACTURERS AND DISTRIBUTORS OF
Fleischmann's Bakery Products . Fleischmann's Yeast for Health . Magic Baking Powder . Gillett's Lye . Royal Yeast Cakes . Chase & Sanborn's Tea and Coffee

ESTABLISHED 19[illegible]
ROBERT DODD & COMPANY
INCORPORATED
Investment Bankers
The Royal Bank Building, Montreal
HArbour 8141-2

INVESTMENT SECURITIES

W. C. Pitfield & Company
235 St. James Street - MArquette 9321
MONTREAL
TORONTO OTTAWA QUEBEC SAINT JOHN
HALIFAX LONDON, ENG.

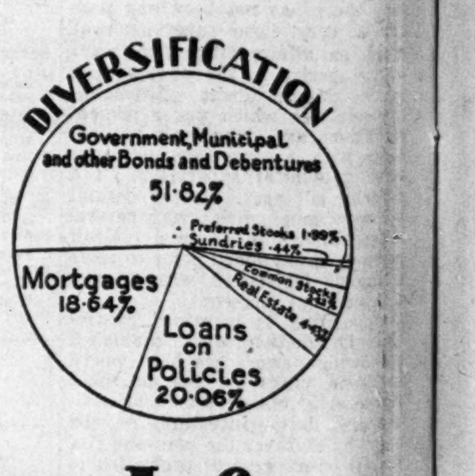
1871 Sixty Years' Security and Stability 1931

Your...
Life Insurance
Dollar
at Work

AS TRUSTEES of your life insurance savings the Confederation Life Association invests your deposits in the highest class of securities. These assets are carefully selected, constantly watched and wisely diversified, to ensure good interest earnings and a wide margin of safety. When you invest in a Confederation Life policy you invest in one of the soundest forms of investment trust that has been devised.

THESE SECURITIES, in turn, make an important contribution to our national progress and prosperity. They assist the administration of our governments . . . federal, provincial and municipal. They form a part of the financial structure of the nation's industry and commerce, and further the country's welfare and development by standing back of the home and business interests of the people.

ALL INVESTMENTS of the Confederation Life Association are made under the rigid laws of the Dominion Investment Act. Your savings are safe and certain at all times. The successful record of the Confederation Life Association, extending over the long period of sixty years, is your guarantee.



Confederation Life Association
Head Office Toronto

TORONTO CITY & SUBURBAN DIVISION
129-133 Confederation Life Building, Toronto

TORONTO—YONGE & RICHMOND DIVISION
218-219 Confederation Life Building, Toronto

1871 Sixty Years' Security and Stability 1931

Business Conditions in Canada

The Week in Business

Foreign Exchange May Call the Turn

Precipitation Better in November

Christmas Shopping Gets Under Way

THAT foreign exchange markets rather than commodity prices will probably "call the turn" for business recovery is the belief gaining ground among business men and economists who are following closely the complicated financial and economic muddle now being unravelled by the leading nations of the world. As we pointed out last week in this column, commodity markets may be expected during 1932 to display rather violent ups and downs somewhat along the line of the wheat market performance of a few weeks ago but any real strength here is expected to be the reflection of previous strength in foreign exchange.

Using this premise which seems thoroughly sound and logical in the light of the present situation, the following is a brief résume made for The Financial Post by a leading Canadian economist, of the sequence of events which economic recovery may be expected to follow, although it must be remembered that this sequence will undoubtedly be obscured from time to time. The sequence is as follows:

(1) Reduction of international capital burdens through agreement, receiverships or reorganization.

(2) Improvement in foreign exchange quotations to be followed eventually by stabilization and a return to gold.

(3) Rising commodity prices.

(4) Rising bond market and more receptive financing conditions.

(5) Ease in American money markets.

(6) Rising stock market in New York.

(7) Expanding production and consumption.

(8) Freer international trade.

* * *

ONE somewhat encouraging factor for 1932 is the November report of precipitation in the Prairie Provinces as analyzed by the W. Sanford Evans Statistical Service this week. For the 13 reporting stations, November precipitation which in the past ten years has fallen as low as 1.97 in., is given as 9.98 in. which is a good inch above normal and brings total fall precipitation to 44.03 inches as against a normal of 40.69 inches.

The most satisfactory feature of the report is the continued unevenness of the distribution which shows the lowest amounts of precipation were recorded at the places which needed moisture most of all namely Southern Alberta and Southern Saskatchewan. The Sanford Evans report is as follows:

"November precipitation was on the average greater than normal, but the distribution was uneven. The lowest amounts (less than half an inch) were recorded in Southern Saskatchewan and Southern Alberta; and the highest at Winnipeg, Saskatoon, Prince Albert, Medicine Hat and Lethbridge. The good precipitation at these latter two points should be helpful, but only to a moderate degree, since snow is not as effective as rain in adding to soil reserves. In other southern parts of Saskatchewan and Alberta the situation remains much as before.

* * *

AS TO business activity throughout Canada, retail trade has been stimulated considerably by the advent of cold and therefore more seasonal Christmas weather throughout the Dominion. Christmas trade till recently was at the "window shopping" stage, it is reported, with good crowds of interested and enquiring shoppers but a lower actual volume of purchases to date. In the industrial field the most important current event is the speeding up of activity in the automobile plants in preparation for the production of new models.

N.Y. Mail Boats Diverted For Special Cruise Duty

Diversion of boats out of New York on to Mediterranean and West Indian cruises is the reason given at the General Post Office for a somewhat curtailed schedule of sailings to Great Britain with a consequent reduced mail service between Canada and Europe during recent weeks.

The sailings schedule shows that between December 1 and 11 two direct boats were due out of New York, these being the Hamburg, leaving on the third and the Bremen sailing on the sixth, the next being the Ile de France leaving December 11.

A large volume of Christmas mail will be catered for by the sailings from Saint John of the Duchess of Bedford and the Montrose on December 12 and 13 respectively.

WHOLESALE PRICE INDEX ADVANCES IN 8 COUNTRIES

Largely Follows Removal of Currency From Gold Standard

Wholesale price indexes showed improvement in 8 out of the 14 world countries for which Oct. figures are so far available, advances from the previous month ranging from 0.6 per cent to 5½ per cent, according to figures compiled by the statistical research division of the United States Department of Commerce.

Especial significance attaches to the latest changes in commodity prices throughout the world owing to suspension of gold payments by a number of countries and the disruption of purchasing power parities. Thus, the advances, which reflect the internal movements of wholesale prices, have in many cases followed the removal of the country's currency from the gold standard.

Countries showing an increase in wholesale price indexes in October compared with September were as follows: Canada 0.6, United Kingdom 5.2, Italy 1.0, Austria 0.9, Denmark, 3.7, Norway 1.7, Sweden 0.9, British India 5.5. Lower wholesale prices are recorded for France where the index declined 3.4 from the previous month, Belgium was down 1.0, Germany 1.4, Netherlands 2.2, Czechoslovakia 0.6, and China 1.8.

Countries for which October figures are not yet available will be found included in the September table, which is appended. In that month the sharpest drop in wholesale commodity prices occurred in Japan, while Chile was the only country to register a gain. The table also shows the comparison with the high points for 1929.

Wholesale Price Changes

Country:	Per cent change, Sept. 1931, compared with 1929 high	Aug. 1931
Canada	—28.9	—1.3
United Kingdom	—29.2	—0.3
United States	—29.5	—1.6
France	—28.8	—3.1
Belgium	—31.3	—3.1
Germany	—22.0	—1.4
Italy	—31.0	—0.8
Czechoslovakia	—25.5	—2.8
Denmark	—31.4	0
Netherlands	—38.1	—3.2
Sweden	—25.2	—1.8
Latvia	—33.1	—0.8
Poland	—31.9	—2.7
Finland	—21.0	—2.5
British India	—37.2	—1.1
China	+20.1	—1.8
Japan	—40.5	—4.1
Peru	— 7.9	0
Chile	—21.8	+3.1

It is apparent from the above that the abandonment of the gold standard in Great Britain on September 21, with the consequent influence on price levels, did not appreciably affect the September average of the indexes of wholesale commodity prices.

BAY ROUTE SAVES 11c PER BUSHEL

New Outlet is Expected to Save in a Season $13,000,000

Lower cost of moving grain via Churchill as compared with the eastern route is agitating shippers in the Winnipeg Grain Exchange.

Grain going north definitely wipes out the lake freight charge of 8½ cents per bushel and the one cent handling charge at Montreal.

From Saskatoon, for 100 pounds, the rate to the Bay is 20 cents instead of 22 cents to the lake terminals. Therefore it is calculated that the Bay route is 11 cents a bushel cheaper than the old eastern channel by which Canadian grain has so long flowed over the Atlantic, and half of it goes through American channels, by that route.

Based upon the Saskatoon figures, on the movement of 120,000,000 bushels, there is a saving of $13,200,000 for the producer.

While Saskatoon is taken as the centre basis for present calculations, advocates of the northern route maintain that both Calgary and Edmonton will benefit by the new route.

Present Costs to Europe

While rail rates are approximately 20 per cent less in Canada than in the States, and wheat moves cheaper to Europe via the North Pacific ports than any other direction so far as Alberta products are concerned, here is what it costs to get a bushel of grain from the approximate centre of the prairies alongside the Liverpool dock, eastward, at present:

	Cents
Rail to lake head	13⅓
Insp., reg. fees, storage and selling at Winnipeg	5
Insp., weighing and loading	2
Lake freight and transfer at Pt. Colborne	8½
Trans-shipment at Montreal and brokers' fees	1
Freight and insurance, Montreal-Liverpool	4½
Total	34½

Out of this amount precisely 30 cents is kept in Canada, provided of course the interests south of the line don't succeed in diverting the cargo as it goes down the lake to Buffalo.

Plans of Auto Makers Hold Stage

	Canada	United States
Commodity Prices:	November index confirms small gain made in October.	Further recession by Analist weekly index confirms instability of prices.
Iron and Steel:	Auto plants schedules on new models give fillip to industry. Foreign business expected at Sydney.	Motor makers still hesitant about prospects for '32—Ford under way this week.
Foreign Trade:	Canada's export trade with China receives boost from Japanese boycott.	U. S. export trade volume off 22 p.c. in first half of '31, compared with 10 p.c. world decline.
Car Loadings:	Seasonal decline under way; current loadings 5.8 p.c. below previous week.	Shrinkage in usual holiday trade indicated by decline in merchandise load ings.
Employment:	Cold weather gives impetus to retail Christmas trade.	Current interest centres on extent of employment recovery in auto trades.
Stock Market:	Trading quiet—reflecting closely expectancy in U. S. over Congress actions.	Rails reflect receivership for Wabash R. R.—Market near all-time low.
Week's Highlight:	Drastic decline in foreign exchange during past week diverts attention from commodity price trends.	Taxation and banking legislation two major problems facing Congress.

Find First Mortgages On Homes No Burden

So Say 77 p.c. of Replies to Questionnaire Conducted by a U. S. Building Association—30 p.c. Prefer to Pay Rent

That 85 per cent of owners of homes in the metropolitan area of New York have first mortgages on their houses is one of the indications revealed by preliminary returns of a questionnaire on home ownership and financing recently conducted by The Railroad Co-operative Building and Loan Association of New York.

In an endeavor to obtain a view of symptomatic conditions among actual and potential home owners, for submission to the U. S. President's Conference on home building and home ownership, the questionnaire was sent out to 76,000 persons, members of the association. A digest of the answers of the 79 per cent who have so far replied has just been released and it embodies constructive data in regard to the problems of home financing in the light of present conditions.

Nineteen Questions

Analysis of the replies to the 19 specific questions contained in the questionnaire discloses the fact that 21 per cent of those canvassed had second mortgages on their homes, and 51 per cent of these found the cost of a second mortgage too great. The first mortgage was found to be no burden by 77 per cent of those replying, and 52 per cent reported no greater difficulty than a few years ago in making payments thereon.

The percentage replying that they commenced to build or buy their homes out of savings was 81; while those who built or bought on an equity of 40 per cent or less was represented by 73 per cent.

Responding to a question as to whether they desired to own their home, 30½ per cent replied in the negative, 45 per cent of these finding it cheaper to pay rent than the high taxes and carrying charges of ownership, while 34 per cent found the lack of liquidity of real estate a bar. Many present home owners are included among these. Thus 79 per cent of those avowing unwillingness to own their own homes attributed their attitude to the high cost of junior financing and the frozen condition of real estate in the financial fabric.

Woman House Owners

Special interest attached to a supplementary study of the changed economic status of women as reflected in home ownership. Apparently the question which concerned feminists at the opening of the century, "Can a woman have both home life and career life?" has been answered in the affirmative, analysis of the replies showing that two-thirds of the single women answering this questionnaire owned homes, and that among women home-owners, 50 per cent classified themselves in the business or "career" groups.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1931	1930	Cumulative Jan. 1 to date 1931	1930
C. P. R. Gross Earn. (Nov. 30)	$ 3,691,000	$ 4,443,000	$ 134,004,000	$ 168,147,000
C. N. R. Gross Earn. (Nov. 30)	$ 4,000,977	$ 4,702,413	$ 164,862,574	$ 207,043,097
Car Loadings (Nov. 28)	52,316	55,400	2,401,813	2,959,597
Common Stock Index (Dec. 3)	63.7	112.0	....	....
Production—	Monthly			
Pig Iron, tons, (Oct.)	......	30,926	380,322	662,795
Steel, tons, (Oct.)	30,926	65,431	623,781	883,902
Newsprint, tons (Oct.)	184,252	213,817	1,854,469	2,116,014
Automobiles (Oct.)	1,440	4,541	78,935	143,163
Boots and Shoes, pr. (Sept.)	1,672,437	1,615,859	13,735,242	13,346,000
Flour, bbls. (October)	1,693,925	1,868,575	12,510,606	13,679,945
Mineral Production—				
Gold, oz. (September)	240,200	177,800	1,962,800	1,493,919
Silver, oz. (September)	1,239,000	2,644,000	16,104,000	19,902,695
Nickel, tons (September)	2,519	5,122	29,952	41,911
Copper, tons (September)	12,444	13,006	117,499	118,000
Lead, tons (September)	9,550	13,502	107,121	125,831
Zinc, tons (September)	8.217	12,893	95,073	97,665
Coal, tons (September)	1,005,000	1,230,000	8,393,000	10,554,234
Nat. gas, M. cu. ft. (Sept.)	1,558,000	1,660,000	19,288,000	20,384,913
Petroleum, bbls. (Sept.)	101,400	139,950	1,278,200	1,038,756
Automobile Financing—				
Used Cars (Oct.)	$ 1,329,944	$ 2,503,904	$ 18,895,546	$ 29,804,525
New Cars (Oct.)	$ 1,323,443	$ 1,288,553	$ 19,064,405	$ 27,180,805
Construction—				
Building Permits (Oct.)	$ 8,713,402	$ 12,756.402	$ 95,611,669	$ 139,117,752
Contracts (November)	$ 24,642,200	$ 39,310,500	$ 304,224,700	$ 432,457,300
Labor—				
Employment Index (Nov.)	103.0	112.9	....	....
Trade—				
Imports (Oct.)	$ 45,940,874	$ 78,358,351	$ 540,932,769	$ 872,029,781
Exports (Oct.)	$ 55,537,914	$ 82,781,428	$ 494,688,492	$ 746,025,827
Imports of Key Products—				
Rubber, raw, lbs. (Oct.)	3,509,309	4,349,182	48,328,197	56,708,519
Cotton, lbs. (October)	7,588,602	12,716,000	67,922,602	72,354,000
Sugar, raw, lbs. (Sept.)	71,618,900	103,078,100	611,626,900	639,568,600
Petroleum, crude, gal. (Oct.)	97,340,989	94,738,929	862,409,333	867,423,131
Coal, tons (Oct.)	1,446,690	1,930,465	11,030,239	14,789,898
Exports of Key Products—				
Newsprint, tons (Oct.)	[illegible]	200,775	1,675,255	1,932,366
Automobiles, No. (Oct.)	630	2,868	13,674	38,920
Wheat, bus. (Oct.)	18,925,303	29,784,275	145,056,675	154,313,050
Wheat flour, bbls. (Oct.)	558,459	813,691	4,769,427	8,536,389
Electric Power—Output—				
M. Kilowatt hours (Oct.)	1,425,408	1,515,403	13,533,019	14,745,861
Population—				
Emigration (October)	1,030	2,731	10,862	38,889
Immigration (June)	3,169	13,175	15,510	54,385
Finance—				
Failures, No. (Sept.)	165	192	1,581	1,725
Failures, Liabilities (Sept.)	$ 5,166,575	$ 2,081,447	$ 32,881,623	$ 36,648,414
Bank Debits (Oct.)	$2,586,858,050	$3,617,506,967	$26,106,512,871	$31,505,449,976
Bond Sales (Oct.)	$ 436,000	$ 153,879,227	$1,025,113,750	$ 651,921,999
Insurance Sales (Oct.)	$ 36,006,000	$ 46,019,000	$ 403,289,000	$ 471,314,000
Wholesale Prices (1926)=100—				
General Index (November)	70.6	79.8	......	......
Iron & its products (Oct.)	87.3	90.0	....	....
Cotton, raw	40.6	60.8	....	....
Grain	40.0	50.5	....	....

Ontario Checks Habits, Plans Auto Tourists

Analysis of Ontario motor tourist traffic in 1930, based on a special survey by the Ontario Department of Highways, reveals that the average mileage per car entering the province during that year for touring purposes was 704 miles in an average stay of 5.2 days, an average of 135½ miles per day.

From a similar survey made by the Department five years ago the average mileage per car in 1926 was 528 miles in an average stay of 7 days.

Of the total number of tourists visiting this province in 1930, 93 per cent declared 'recreation' as the purpose of their trip, as against 86 per cent in 1926 but the number coming for the purpose of sport was considerably less, only 5 per cent declared this their intention as compared with 9 per cent in 1926.

Thirty per cent of the 1930 visitors were accommodated in hotels, 45 per cent stayed at tourist homes, 16 per cent at camps and 9 per cent with friends.

While the average number of persons per car was the same as in 1926, namely 3.2, the average expenditure was 28 cents per car per day the amount being $15.70.

B. W. I. APPOINTS TRADE EMISSARY TO THE DOMINION

Canadian is Commissioner With Offices at Montreal

A significant step in the development of trade relation with the British West Indies and Canada is the establishment recently of a B. W. I. Trade Commissioners office in the Dominion.

Lester S. Glass has been appointed commissioner with offices in Montreal. He is a Canadian and a member of the Canadian Trade Commissioner Service of the Department of Trade, having been loaned to the West Indian Colonies for a period of three years, inaugurates this service in Canada.

Representation of the West Indies here comes as the result of the combined action of the eastern group of the islands made up of the Leeward Islands, comprising St. Kitts, Nevis, Antigua, Montserrat, Dominica and the Virgin Islands; the Windward Islands, comprising St. Lucia, St. Vincent and Grenada; as well as Barbados and Trinidad.

Value, Trade Relations

This group of the West Indies has a very definite wish to establish closer relations with Canada, Mr. Glass stated. They have a sincere trust in Canada, a part of the Empire that has become bound to them through ties developed by the tiny, wave-tossed schooners from the Maritime Provinces that plied their daring way between the two centres in the early days.

Three years ago the Canadian National Steamships Co. instituted voyages from Canada to the West Indies, with its "Lady" boats, thus opening a new era in the relationship between Canada and these southern colonies of the Empire. These ties have steadily been strengthened in the past as new facilities have made further communication and new contacts possible.

The annual trade of these colonies amounts to approximately eighty-five million dollars, forty-five million of which represent imports. During the last fiscal year Canada exported to the eastern group goods to the value of $9,800,000 and imported to the value of $8,300,000.

Products Complementary

"Opportunity is knocking at the door and the wise will turn it to their advantage," Mr. Glass said.

"The products of the West Indies are complementary to those of Canada and are of a nature which Canada buys every day. Indeed, Canada even goes to foreign markets, purchases West Indian products and then imports them.

"There is business in these colonies for Canadian exporters and the people of the West Indies wish to buy Canadian goods. It rests entirely with the Canadian manufacturer. He must take to the West Indies his products and show them to the people there. He must try to compete with other suppliers of this market, and with the tariff preferences granted, this should not be impossible.

"There is a belief in the eastern group of the West Indies that it is only by an equal sharing of benefits that lasting good can be secured from any mutual agreement and they offer to Canada and Canadians the wonderful products of their soil, their beautiful islands for holiday and pleasure, their markets for the sale of Canadian goods."

Extend Grain Elevator Dock

An extension to the dock down by the grain elevator at New Westminster has been started and will be completed late in January. The contract runs to about $24,000.

Brazil Pact Paves Way Canada Trade

Manufactures of rubber, sewing machines and apples are Canadian exports expected to receive greatest impetus from the new trade treaty with Brazil which came into effect this week. Under the treaty (which is provisional pending approval by Canadian parliament at its next session) Brazil puts Canadian products under her new minimum list and Canada grants Brazil most favored nation treatment. Brazil formerly had a single tariff system but now there are two main classifications namely minimum and general. General tariff is roughly one-quarter higher than minimum which Canada now obtains.

Like the recently-signed Australian pact this treaty probably holds more possibilities for the future than the present since exchange difficulties now make trading with Brazil unsatisfactory.

In the past few years manufactures of rubber and sewing machines have been by far the most important items exported from Canada to Brazil while green coffee is Brazil's chief export to Canada. Canadian fresh fruits now enter Brazil free, which should particularly assist Canadian apples which formerly bore a duty of 1¾c. a pound. (Total Trade $4,500,000)

In the fiscal year ending Mar. 31, 1931 total exports from Canada to Brazil were valued at $2,799,567 as compared with $4,292,293 the previous year. Canadian imports from Brazil were valued at $1,349,124 for the 1931 fiscal period and $1,687,700 for the year ending Mar. 31,1930. Leading items of trade between the two countries in these two years were as follows:

B—BRAZIL—

	1930 $	1931 $
Leading Imports:		
Coffee. green	1,639,277	1,224.588
Hides and skins, raw	7,092	....
Nuts	16,509	41,897
Cocoa butter	15,733	44,931
Leading Exports:		
Rubber mfrs.	1,136,000	1,128,961
Fish dried, salted, etc.	384,846	184,663
Sewing machines	1,731,517	746,356
Automobiles	245,269	13,466
Aluminum	247,958	67,057
Electric apparatus	265,024	51,023
Wheat flour	......	186,183
Total Trade With Canada		
Imports	1,687,707	1,349,124
Exports	4,292,293	2,799,567

AVERAGE VALUE OF POUND, $4.04

Memorandum Explains How Special "Exchange" Duty is Worked

The average value of the pound sterling for determining the amount of the special "exchange dumping" duty for the period December 16 to 31, has been declared by the Department of National Revenue to be $4.04.

This announcement is in pursuance of recent orders-in-council fixing the value of the pound for special duty purposes at $4.40, and the amount of special duty to be the difference between the home market value converted at this rate and the amount of the selling price of the goods in sterling, converted into Canadian currency, at the average exchange rate as declared semi-monthly by the Department, as above.

A memorandum from the customs division of the Department of Revenue points out that the impression that the special duty payable is the difference between the selling price converted at $4.40 and at the average value declared by the Department is not correct in that there may be difference between the home market value in sterling and the selling price in that currency which would, in ordinary circumstances apart from exchange, render importations subject to special duty.

Beet Men Prosper in South Alberta

Raymond's big beet sugar plant is operating at full capacity with 300 hands on its payroll, according to advices received by The Financial Post from Alberta. Sugar content of beets is higher than average and there is a possibility of growers receiving a bonus of $1.50 a ton which if granted would give a total return of $7 a ton or 50 cents more than last year.

Average yields per acre have run at about 10 and 11 tons which even at the lower initial price of $5.50 per ton should permit of a fair margin of profit, since labor costs to farmers have been less. The 1930 harvest was carried on under well-nigh excellent conditions. In many districts this is the highest yield ever obtained.

Business Briefs

Car Loadings for week ending November 28, 52,316 cars, were 848 less than previous week, following seasonal trend, and were 5.8 p.c. below figure for same week last year. Grain shipments continued downwards. Total loadings to date are 18.85 p.c. below same period 1930.

Wheat Stocks on hand at November 27 showed further increase at 185,416,528 bus. but were 10.6 p.c. below storings at same week last year. Exports overseas in week totalled 3,737,871 bus. compared with 4,638,020 bus. in previous week and is lower than preceding two weeks. Total shipments for four-week period at 18,384,600 bus. was 3.8 p.c. under corresponding period 1930.

For sale

The rarest commodity in the business world. Though the demand for this commodity will be greater than ever in 1932, it will cost less to buy it.

Successful business men know what this commodity is and will not hesitate to inquire the price of it from—

ADVERTISING AND SALES COUNSELLOR

330 BAY ST. TORONTO

Telephone: ADelaide 6221-6222

Toronto (2) Montreal Ottawa Windsor Winnipeg Regina Saskatoon Calgary Vancouver

TEN OFFICES IN SIX PROVINCES

THE national organization of this Corporation means an accurate knowledge of conditions and legal requirements in the different Provinces and promptness in dealing with estates' business wherever situated.

This Corporation has ten offices extending from the Province of Quebec to British Columbia. A letter or cable to the Toronto General Trusts places you at once in touch with your affairs over the greater part of Canada and illustrates one more aspect of the convenience offered by this old-established but modern trust company.

W. G. Watson

General Manager.

THE TORONTO GENERAL TRUSTS CORPORATION

Assets under administration over $220,000,000

1932 ▲▲▲

Just around the corner - - So is the Business Year Book containing 50,000 answers to questions on Canadian business. A Book planned for Business executives.

Order now.

The Business Year Book Gives You:

A chart of Canadian business since Confederation.
Canada's Economic Position.
Canada's Purchasing Power.
Market Survey Data.
Capital Investments.
Analysis of Industries.
Canada's Foreign Trade.
Commodity Prices.
Population and Immigration.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me postpaid a copy of The Financial Post BUSINESS YEAR BOOK, 1932. Attached is my $2.00 in payment.

Name ____________

Address ____________

LE PRIX COURANT Leads in French Canada

BECAUSE of its timely, forceful, forward looking editorials; its up-to-the-minute news; its knowledge of and intimate contacts with French Canadian business and business men — Le Prix Courant is selected by shrewd advertisers to carry their sales messages into this rich market.

LE PRIX COURANT is published and printed in Montreal, P.Q.—where it has been published continuously in French for the past 44 years — edited by and for French-Canadians.

LE PRIX COURANT is printed on high grade stock, and advertisers may use color illustrations with the assurance of satisfactory results.

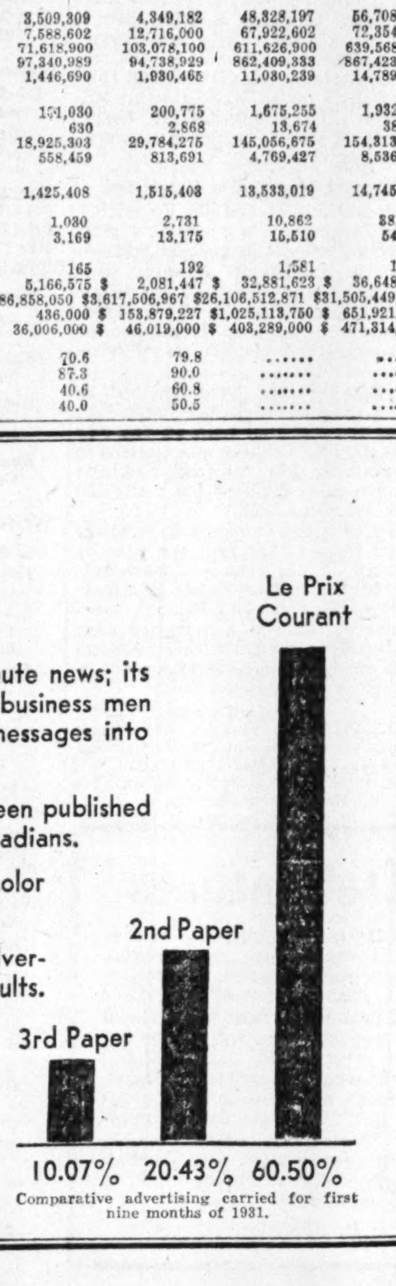
LE PRIX COURANT is a fortnightly business newspaper that provides the advertiser with a unique circulation. And, moreover, it has a proven record of results.

Enquiries solicited at the head office of the publication

The Retail Merchants Publishing Company

1070 Bleury Street - - Montreal, Canada

Ontario Branch Office: 145 University Avenue, Toronto



Comparative advertising carried for first nine months of 1931.

NOTICES

We have for sale a limited number of small replacement mortgages with attractive interest return for private investors. Box 301, The Financial Post, Toronto.

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 14th day of January, 1932, at 11 o'clock a.m.

M. W. WILSON,
General Manager.

Montreal, December 1, 1931.

Sun Life Assurance Company of Canada

HEAD OFFICE: MONTREAL

Stock Transfer Department

Notice is hereby given that the Stock Transfer books of the Company will be closed from the 17th to the 31st of December, both dates inclusive, for the preparation of the dividend to become due and payable on the 1st day of January, 1932, to shareholders of record at the close of business on December 16th, 1931.

By Order of the Board,
H. W. K. HALE,
Secretary.

DIVIDEND NOTICES

A. J. Freiman, Limited

DIVIDEND NOTICE

A dividend of One and One-half per cent (1½%) on the 6% cumulative redeemable convertible preferred shares of A. J. Freiman, Limited, being at the rate of 6% per annum, will be paid on the 2nd day of January, 1932, to Shareholders on record December 15th, 1931.

By resolution of the Directors.

Dated at Ottawa this 7th day of December, A.D. 1931.

S. R. OUELLETTE,
Secretary-Treasurer.

Western Grain Company Limited

Firm offers to sell at a stated price Western Grain Company Limited first mortgage Bonds Series "A" up to $20,000 par value, will be received by the undersigned at 409 Grain Exchange, Winnipeg, up to December 15th next. Offers may be made for the whole or any part of the above amount and must be good for acceptance up to December 31st, 1931. These Bonds are for sinking fund requirements and the Board reserves the right to reject any or all of the offers.

J. B. RENDALL,
Secretary.

November 27th, 1931.

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 18

NOTICE is hereby given that a dividend of one and one-half per cent (75 cents per share) being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Participating Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending December 31st, 1931, payable January 15th, 1932, to shareholders of record at the close of business December 31st, 1931.

By order of the Board,
L. C. HASKELL, Secretary.
Montreal, November 27th, 1931.

The British Mortgage and Trust Corporation of Ontario

Dividend Number 107

TAKE NOTICE that the Directors of The British Mortgage and Trust Corporation of Ontario have declared a dividend on the paid-up capital stock of the Corporation of Six per cent. (6%) for the current half-year, being at the rate of Twelve per cent. (12%) per annum, and that the same will be payable on Saturday, the 2nd day of January, 1932, to shareholders of record on the 19th day of December, 1931.

Dated at Stratford this Seventh day of December, 1931

By order of the Board.
W. H. GREGORY,
Managing Director.

DIVIDEND NOTICES

DIVIDEND NOTICE

Canadian General Electric Co., Limited

Preference Dividend No. 87

Notice is hereby given that a Dividend of one and three-quarters per cent. for the quarter ending the 31st day of December, 1931, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

Common Dividend No. 108

Notice is also hereby given that a Dividend of $1.00 per share for the quarter ending the 31st day of December, 1931, being at the rate of eight per cent. per annum upon the par value of the stock, has been declared on the Common Stock of the Company.

The above Dividends are payable on the 1st day of January, 1932, to shareholders of record at the close of business on the 15th day of December, 1931.

By order of the Board.
W. H. NESBITT, Secretary.
Toronto 2, December 7, 1931.

ORANGE CRUSH LIMITED

NOTICE OF DIVIDENDS "A" PREFERRED

Notice is hereby given that a quarterly dividend of 1¾% has been declared on the "A" Preferred Capital Stock of this Company payable January 2nd, 1932, to shareholders of record December 15th, 1931.

By order of the Board,
R. T. MACDONALD,
Secretary.
Toronto, Ont., November 25th, 1931.

The Toronto Mortgage Co.

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent., being at the rate of Twelve per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st January, 1932,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
Walter Gillespie,
Manager.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 10

NOTICE is hereby given that a Dividend of 20c. per share (being at the rate of 80c. per annum) has been declared on the no par value Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending December 31st, 1931, payable January 25th, 1932, to shareholders of record at the close of business on December 31st, 1931.

By order of the Board.
L. C. HASKELL, Secretary.
Montreal, November 24th, 1931.

NOVA SCOTIA LIGHT & POWER COMPANY, LIMITED

Ordinary Dividend No. 9

Notice is hereby given that a dividend of One dollar ($1.00) per share, for the quarter ending December 31st, 1931, has been declared upon the Ordinary Stock of the Company, payable January 2nd, 1932, to shareholders of record at the close of business December 19th, 1931.

By Order of the Board,
C. J. HAYES,
Secretary.
Halifax, N.S., November 30th, 1931.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1931, making a total distribution of twelve per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 2nd day of January, 1932, to Shareholders of record of 19th December, 1931.

By Order of the Board,
C. A. BOGERT,
General Manager.
Toronto, 26th November, 1931.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Preferred Dividend No. 48

A DIVIDEND of one and one-half per cent (1½%) on the PREFERRED STOCK of SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending December 31st, 1931, payable January 15th, 1932, to shareholders of record at the close of business December 19th, 1931.

By order of the Board,
L. C. HASKELL,
Secretary
Montreal, Nov. 27th, 1931.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 16

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, being at the rate of 6 per cent. per annum, has been declared on the 6 Per Cent. Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending December 31, 1931, payable January 15th, 1932, to Shareholders of record at the close of business on December 31st, 1931.

By Order of the Board,
FRED HUNT,
Secretary.
November 26th, 1931.

DIVIDEND No. 17

HIRAM WALKER-GOODERHAM & WORTS LIMITED

Controlling and Operating
Hiram Walker & Sons, Limited
Gooderham & Worts, Limited
Distillers & Bottlers in Bond

NOTICE is hereby given that quarterly dividend (No. 17) of six and a quarter (6¼c) cents a share has been declared on the outstanding no par value capital stock of this Company.

This dividend is payable (Tuesday) December 15, 1931, to shareholders of record at close of business (Saturday) November 28.

By order of the Board,
FLETCHER RUARK,
Secretary and Treasurer
Walkerville, Can., November 20, 1931.

The Toronto General Trusts Corporation

DIVIDEND NO. 142

Notice is hereby given that a dividend of three per cent. (3%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending December 31st, 1931, being at the rate of

TWELVE PER CENT. PER ANNUM,

and that the same will be payable on or after Saturday, the second day of January, 1932, to shareholders of record at the close of business on December 12th, 1931. The transfer books of the Corporation will be closed from the close of business December 12th to the close of business December 31st.

By order of the Board of Directors.
W. G. WATSON,
General Manager.
Toronto, November 24th, 1931.

Dominion Glass Company Ltd.

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1931.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1931.

The above Dividends are payable on Saturday, the 2nd day of January, 1932, to Shareholders of record at the close of business Tuesday, the 15th day of December, 1931.

By Order of the Board.
MERVYN OFFER,
Secretary.
Montreal, 19th November, 1931.

NEW ROCKNE SIX IS 1932 OFFERING BY STUDEBAKER

Free-wheeling, Synchro-Mesh and Switch Starter —Price Under $1,000

Introduction of a new low-priced car—the Rockne Six—which will include free-wheeling, synchro-mesh transmission and switch starter, is announced by Studebaker Corp. of Canada.

The new Rockne, which will be manufactured at the Walkerville plant, will be produced in two lines, the "65" and the "75," having wheelbases of 110-inches and 114-inches, and power units of 65 and 72 horsepower, respectively. The "65" model will sell in the less-than-$1,000 price field.

A total of nine styles will be manufactured, both models being available in a 5-passenger 4-door sedan; a 5-passenger 2-door convertible sedan; a 2-passenger coupé, and a 2-passenger convertible roadster. The "65" model is also available in a 2-door coach.

Automatic Starter Key

Both "Rockne Six" lines are equipped with free-wheeling, synchro-mesh transmission, automatic switch-key starter, and adjustable steering column. Motors are cushioned in rubber at all four points of suspension.

Outstanding features of design are the sloping radiator, outlined in chromium, sloping windshields and streamlined tops and body designs. Other features include three-spoke steering wheel, aviation-type instruments, insulated bodies, adjustable front seats, and hydraulic shock-absorbers.

NEW AUTO TAXES ON FAIRER BASIS

Ontario License Fees Now Related to Road Usage

Scaling up of motor car and truck annual taxes in Ontario, as recently announced by the minister of highways, is expected to yield an additional revenue of some $1,000,000 to the province.

The revised system of taxation for passenger cars replaces the old horsepower basis by a tax based on the number of cylinders, by which cars will be taxed with better regard to weight, advertised horsepower and value. The formula previously used for determining the horsepower resulted in many six and even eight-cylinder cars being taxed the same amount as some four cylinder cars, in spite of the fact that manufacturers of the sixes and eights invariably advertised far greater horsepower than that possessed by any 'fours.'

Long-Felt Need

This anomaly has long been recognized and The Financial Post has on various occasions pointed out the need for revision, both for car and truck taxation, by which road users would pay more equitably according to the wear and tear imposed on road surfaces.

Revision was especially called for in the case of trucks which, it was generally acceded, were not paying a fair share for use of the highways. Taxation is now re-scaled with regard to the weight of vehicle and the type of tire equipment. Thus under the new schedule a vehicle rated at less than 2 tons will pay an annual fee of $10 if equipped with pneumatic tires and $16 if equipped wholly or in part with solid tires. The truck rated from 2 to 3 tons will pay $24 and $33, the 3 to 4-tonner, $36 and $48, and the 4 to 5-tonner, $72 and $90, according to the tire specifications. Thereafter taxes increase by an ascending ratio for each additional ton. Trailers are also taxed according to weight.

Despite the increase in auto taxes the fees charged in Ontario will still be considerably lower than in any other province in Canada.

Creamery Output Shows Gain

The output of creamery butter in Saskatchewan for the twelve months ended October 31 amounts to 18,413,937 pounds, or an increase of 4,842,400 pounds, or 35.6 per cent over the previous twelve months. October's production amounted to 1,359,461 pounds, a gain of 340,041 pounds or 33.3 per cent over the preceding October.

Index of Mining Stocks

The weighted index of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926 =100, was 60.8 for the week ending December 3, as compared with 62.2 for the previous week.

Eleven gold stocks fell from 62.7 to 61.1, four gold-copper stocks from 63.7 to 63.1, and five silver and miscellaneous stocks from 30.5 to 28.7.

DIVIDEND NOTICES

CANADA BREAD COMPANY LIMITED

DIVIDEND NOTICE

First Preference Shares

NOTICE IS HEREBY GIVEN that a dividend of 1¾% has been declared upon the First Preference Shares of the Company, payment of same to be made on January 2nd, 1932, to shareholders of record at the close of business, December 14th, 1931. The transfer books of the Company will be closed from December 15th to 31st, 1931, both days inclusive.

By Order of the Board,
W. S. ANTLIFF, C.A.,
Secretary-Treasurer.
Toronto, Ont., December 10th, 1931.

CANADA BUD BREWERIES LIMITED

Dividend No. 9

Notice is hereby given that a quarterly dividend of twenty-five cents (25c) per share on the no par value Common stock of Canada Bud Breweries Limited, being at the rate of $1.00 per share per annum, has been declared payable on the 15th day of January, 1932, to shareholders of record at close of business on 31st of December, 1931.

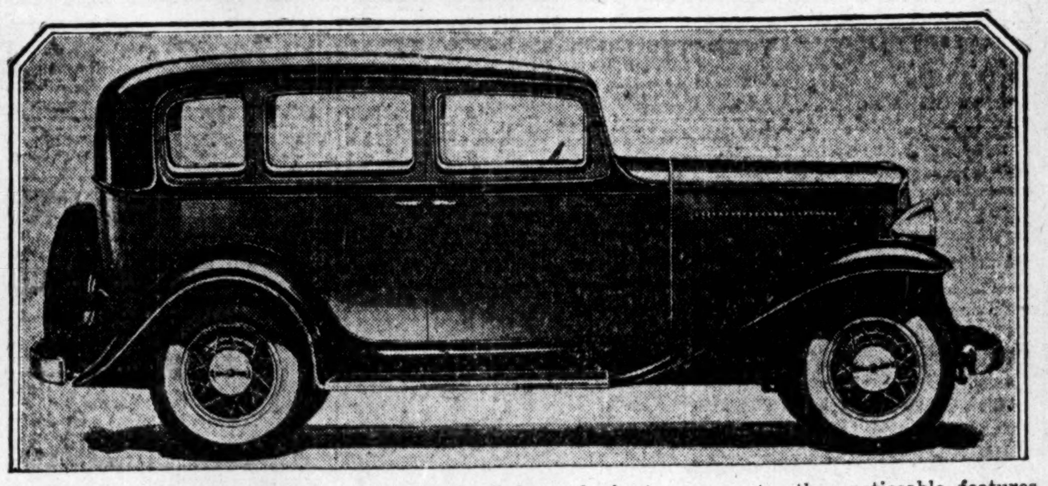
By Order of Board of Directors.
E. J. KAY,
Secretary.
Toronto, 5th December, 1931.

STANDARD STEEL CONSTRUCTION COMPANY LIMITED

Notice is hereby given that a quarterly dividend of 75 cents per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of Standard Steel Construction Company, Limited, payable on the 1st day of January, 1932, to shareholders of record on the 15th day of December, 1931.

By order of the Board.
J. J. BREEN, Secretary.

Studebaker Announces New "Rockne" Six



The new "Rockne Six" offered by the Studebaker Corp. of Canada for 1932, embodies free-wheeling, synchro-mesh transmission and automatic switch-key starting. The "Rockne" is made in two models, the "65" and the "75," the former having a 110-inch and the latter a 114-inch wheelbase. Wire wheels are standard equipment, other noticeable features being the V-type radiator shell and one-piece fenders. The engine is cushioned in rubber. The "65" model will sell in the under-$1,000 price field.

1932 CHEVROLET HAS FREEWHEEL, SYNCHRO-MESH

Engine Has More Power; Prices Remain the Same

The new Chevrolets for 1932, just announced, embody free-wheeling and synchro-mesh transmission as standard features for the first time.

While there is little change from the basic design of the 1931 car refinements featured on the new models are newly-designed Fisher bodies and an entirely new stabilized front-end construction, which is said to give a greater feeling of steadiness when travelling over rough roads. The 60 horsepower six-cylinder engine is claimed to be 20 per cent more powerful than its fore-runners, giving a smoother and livelier performance.

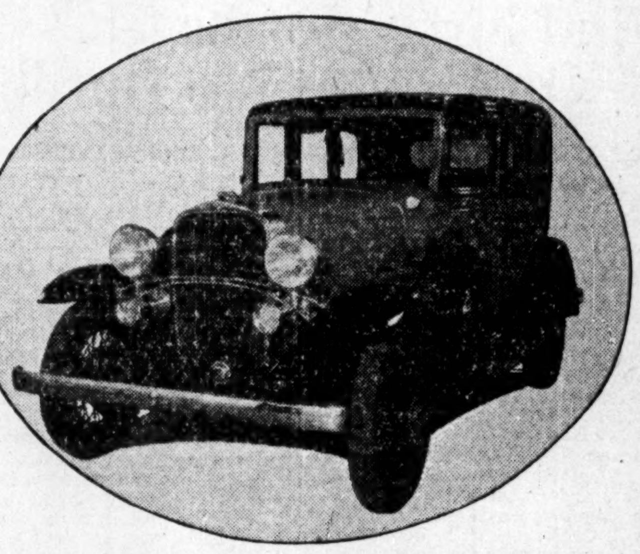
Other new features added this year are "diamond" type engine suspension, downdraft carburation, counter-balanced crankshaft, smaller wheels and larger tires, ovoid radiator, improved clutch, and "finger-tip" front seat adjustment.

Free-wheeling on Dash

Free-wheeling can be cut out by the driver at will upon pulling out a small button on the dash when the car may be driven in the conventional manner. The synchro-mesh transmission ensures quick and easy gear-shifting, whether from low to second, second to high, or from high down to second.

There are thirteen body styles in the line this year—three open, eight closed and two convertible Fisher bodies, all in new duco color combinations. Seven of these models are supplied with de luxe equipment as standard. Prices remain in the same range as the 1931 models.

Meet the 1932 Chevrolet



Free-wheeling and synchro-mesh transmission are standard equipment on the Chevrolet models for 1932, which offer a choice of thirteen newly-designed body styles. Seven of these are "de luxe" models. New features include a more powerful engine, down-draft carburation, counter-balanced crankshaft, smaller wheels and larger tires. As will be seen from the above picture the radiator has been re-designed on "ovoid" lines.

HALIFAX HARBOR SHIPPING GREATER

Cargo Tonnage for Ten Months Registers Small Decline

From Our Own Correspondent

MONTREAL.—Traffic over the Halifax Harbor Commissioners' piers from the beginning of the year to the end of October, shows a minor decrease over that reported for the corresponding period of 1930.

From the beginning of January to the end of October, 1931, 949 incoming vessels tied up at the commissioner's piers. This compares with 381 for the same ten months of 1930, a gain of 149 per cent.

The net tonnage of these vessels totalled 2,843,786 and gross tonnage 4,877,751, a gain of 69 and 77 per cent, respectively, over the first ten months of 1930.

These figures have to do with arrivals. Statistics on departures closely approximate those of arrivals.

Vessel Tonnage Greater

Taking the total of in and out vessels, the net tonnage this year amounts to 5,699,660, as against 3,615,444 tons last year, a gain of 57.6 per cent. The cargo tonnage, however, has fallen off somewhat, totalling 551,930 compared to 673,931 in January-October, 1930.

Complete statistics of the ten months period for 1931 and 1930 follow:

	1931	1930
Arrivals		
No. of vessels	949	381
Net tonnage	2,843,786	1,677,093
Gross tonnage	4,877,751	2,757,672
Cargo tonnage	268,652	332,478
Bags of mail	31,880	37,276
No. of passengers ...	28,283	39,478
Departures		
No. of vessels	951	583
Net tonnage	2,855,874	1,938,351
Gross tonnage	4,896,755	3,198,955
Cargo tonnage	283,280	341,453
Bags of mail	10,819	10,601
No. of passengers ...	23,219	......
Totals In and Out		
No. of vessels	1,900	964
Net tonnage	5,699,660	3,615,444
Gross tonnage	9,774,506	5,956,627
Cargo tonnage	551,931	673,931
Bags of mail	42,699	47,877
No. of passengers	51,502	......

METAL PRICES

New York—December 8:
Copper—Electrolytic spot, 6½ to 6¾c. lb.
London—December 8:
(Long Ton)
Copper—Electrolytic spot, £43; future, £47. Standard spot, £38 10s.; future, £39 2s. 6d.
Tin—Spot, £138 5s.; future, £141 5s.
Lead—Spot, £15 10s.; future, £15 12s. 6d.
Zinc—Spot, £14 10s.; future, £14 17s. 6d.
Silver—20 11/16d. per ounce.

Corporate Financing

Our distributing facilities are broad enough to handle all types of issues, both large and small, for those desiring capital through the sale of securities. References exchanged.

THE BROOKWORTH CO. Inc.
110 East 42nd St., New York, N.Y.

CAN. FOUNDRIES ADD NEW LINE TO PRODUCTION

Producing Heating System — Current Operations Curtailed

From Our Own Correspondent

MONTREAL.—In line with its policy of introducing new lines and broadening its scope of production with a view to stimulating sales, Canada Foundries and Forgings has placed on the market a new heating system, which, it is claimed, is a definite innovation in this type of equipment. The new furnace is manufactured by the James Smart Manufacturing Co; a subsidiary operating in Brockville.

The heating system, developed in the Brockville plant, represents a new type of forced air, air conditioning system designed to use oil as cheaply or more cheaply than a high grade anthracite. Ordinary standard fuels such as coal coke or wood may be successfully used as well.

Wide Range In Size

This unit is being made in a wide range of sizes to suit the varying needs of all kinds of buildings from an eight roomed house to an institution. Features claimed for the heating system include a regulated supply of dustless heat, humidified heat, and through forced draughts an ability to disseminate heat to all parts of the building.

The James Smart Manufacturing Co. is an important division of Canada Foundries and Forgings. The company produces a wide range of hardware for which a broad market has been developed; it was recently stated by an official that this company's policy was to bring out a new line approximately every month, a step by which customers' attention is held.

Current Operations Restricted

Operations of Canada Foundries and Forgings as a whole this year have reflected the general restriction in industrial activity. Demand for heavy forgings has fallen off while a second plant at Welland, manufacturing drop forgings, has necessary felt the effects of business conditions.

That earnings have declined to some extent is indicated by the fact that the dividend paid on the 38,400 class "A" shares was omitted in September 1931; the stock had been on a regular dividend basis of $1.50 a share since 1928.

In 1930 net earnings were lower than those of the previous year by nearly 50 per cent but were sufficient to cover dividends by a margin of $3,578. The balance sheet however, showed a marginal drop in working capital with a substantial reduction in bank loans.

Open in Toronto

R. P. Clarke and Co., investment bankers, specializing in British Columbia and western provincial and muncipal bonds, have opened an office at 300 Bay Street, Toronto.

Prairie Cities Oil Charter is Amended

Capitalization of Prairie Cities Oil Co. has been reduced from the formerly authorized amount of 100,000 class A shares of no par value to 60,000 shares of which 50,000 shares are outstanding as before. The change was made possible by supplementary letters patent granted November 27, 1931. The supplementary letters patent provided that of the consideration received upon the issue of $50,000 class A shares now outstanding, $1,150,000 was to be declared capital and the remainder, in value of such consideration, namely $124,613, was declared distributable surplus.

The company is taking advantage at this time of a change effected some months ago in the Companies Act whereby the directors may elect to treat part of the monies received from the sale of capital stock as distributable surplus.

Canada's Population Increases

A population increase of more than a million and a half, or 17.82 per cent is shown for the whole of Canada in the latest census bulletin, issued by the Dominion Bureau of Statistics. The population today is 10,353,778 as compared with 8,787,949 a decade ago. Ontario has the greatest population in the Dominion, 3,426,488; an increase of 16.80 per cent but the gain is not so great as in several other provinces, British Columbia leading with 31.38 per cent.

10 MAKES OF CARS 7 MAKES OF TRUCKS

WERE advertised in The Financial Post in 1931. Lineage carried 50% increase over 1930.

The Financial Post reaches men who have the buying power for themselves, their organizations and their families.

Circulation analysis and advertising rates on request.

THE FINANCIAL POST

153 University Ave. Toronto — 1070 Bleury Street Montreal

Over twenty thousand subscribers weekly A.B.C. paid basis. The Financial Post is the only financial paper in Canada that submits its circulation to the Audit Bureau of Circulations' scrutiny.

CANADIAN INDUSTRIAL ALCOHOL COMPANY LIMITED

PROFIT AND LOSS ACCOUNT - 30th SEPTEMBER, 1931

To Operating Loss for the year after crediting administration fees and expenses charged against Associated Company, and after providing $103,722.23 for Depreciation on Fixed Assets		$332,247.39	By Balance brought forward from last year	$1,961,178.47
" Special Adjustment to Inventory Values..		102,672.97		
" Estimated Loss on purchase contracts outstanding		35,000.00		
" Interest on Sales Tax Claim		34,209.92		
" Balance carried down		1,457,048.19		
		$1,961,178.47		$1,961,178.47
To Amount written off Shares in Associated Companies	$4,710,511.00		By Balance brought down	1,457,048.19
Deduct: Accumulated Surpluses of former Companies..	1,296,462.56		" Balance as per Balance Sheet	3,041,071.52
		3,414,048.44		
" Provision in respect of amounts owing by Associated Companies		1,084,071.27		
		$4,498,119.71		$4,498,119.71

BALANCE SHEET - 30th SEPTEMBER, 1931

ASSETS

CURRENT ASSETS:—			
Cash on hand		$500.00	
Accounts Receivable:—			
Trade	$74,320.32		
Sundry	1,314.00		
	75,634.32		
Less: Reserve for Bad and Doubtful Debts	22,381.79		
		53,252.53	
Notes Receivable		55,191.47	
Stocks of Spirits, at Cost, including Barrels		6,164,212.18	
Stock of Molasses and Supplies		330,460.07	
			6,603,676.25
AMOUNTS OWING BY, AND SHARES IN ASSOCIATED COMPANIES, AS REVALUED BY THE BOARD OF DIRECTORS:—			
Amounts Owing ..	$2,588,196.47		
Less: Reserve ..	1,084,071.27		
		*1,504,125.20	
Shares—Consolidated Distilleries Ltd.		1.00	
Shares—Canadian Industrial Alcohol Company of Manitoba Limited		250,488.00	
Shares—Robert McNish & Company Limited		1.00	
			1,754,615.20
OTHER INVESTMENTS—AT COST			265,927.66
FIXED ASSETS:—			
Real Estate, Buildings, Machinery and Equipment, per Appraisal 31st May, 1925, plus cost of additions to date		$4,143,312.65	
Less: Reserve for Depreciation		1,131,388.04	
		3,016,924.61	
Goodwill, Trade-Marks, Etc..		2,142,180.50	
			5,159,105.11
DEFERRED CHARGES TO OPERATIONS			36,977.17
			$13,820,301.39

*The collectibility of amounts owing by two Associated Companies will be affected by the results of court actions now awaiting decision.

APPROVED ON BEHALF OF THE BOARD:

(Signed) SHAUGHNESSY
(Signed) L. V. WRIGHT } *Directors*

LIABILITIES

CURRENT LIABILITIES:—			
Dominion Government, Balance of Sales Tax Claim, including Interest to date .		$ 199,196.28	
Bank Loan—Secured		2,688,100.00	
Bank Overdraft		22,623.09	
Notes Payable		195,103.36	
Accounts payable:			
Trade, including estimated liability under purchase contracts outstanding ..	$52,161.47		
Sundry	2,067.49		
		54,228.96	
Accrued Charges, Taxes, Etc.		50,457.56	
			3,209,709.25
ACCOUNTS OWING TO ASSOCIATED COMPANIES			252,963.66
SHAREHOLDERS' ACCOUNT:—			
Capital Stock:—			
Authorized—1,500,000 shares without nominal or par value, divided into 1,000,000 voting shares and 500,000 non-voting shares			
Issued—969,480 Voting Shares 123,435 Non-voting Shares for a consideration of.....		$13,398,700.00	
Deduct:—			
Profit and Loss Account—Debit Balance		3,041,071.52	
Shareholders' Equity........			10,357,628.48
			$13,820,301.39

There is a Contingent Liability under guarantee of Debenture Stock of an Associated Company amounting to $4,220,340.00

TO THE SHAREHOLDERS OF CANADIAN INDUSTRIAL ALCOHOL COMPANY LIMITED :—

We have examined the above Balance Sheet dated 30th September, 1931, with the books of the Company and have obtained all the information and explanations we have required. In our opinion, the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

276 St. James Street,
Montreal, December 5, 1931.

(SIGNED) DELOITTE, PLENDER, HASKINS & SELLS, AUDITORS.

Tender for Debentures

The Government of the Province of Prince Edward Island invites offers up to four p.m. on Friday, December 11th, for purchase of debenture issue for highways improvement amounting to one hundred and fifty thousand dollars. Also for issue of four hundred and fifty thousand dollars for debt funding purposes. Both issues are dated December 1st instant and term will be for ten or twenty years, interest five per cent payable semi-annually at Toronto, Montreal and Charlottetown. Denomination of one thousand or to suit purchaser. Bonds registerable as to principal, sinking funds provided and total debenture debt of province, including present issues, is two million, seven hundred and four thousand dollars. Sinking funds total five hundred and three thousand dollars. Please submit offers on basis of ten and twenty year maturity for each issue.

JAMES D. STEWART, Premier.

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Do Not Buy Securities And Forget About Them

Property Values of All Kinds in Changing World Should Be Reviewed Repeatedly

I herewith submit to you a list of my stocks with their purchase prices. As I had neither the time nor the knowledge necessary to play the market I followed the advice given in many articles appearing in your paper, namely, "Not to play the market but to invest in sound stocks," remaining indifferent to ups and downs as over a term of years the long term investors reap the largest profits. So I hung on, as the street phrase goes. Were I to liquidate I would suffer a great loss. My stocks are not fully paid, and I still owe my broker about $4,000.

Would you now advise me to liquidate and get out of the market, and bear my loss, or to continue pouring in more money to cover up my margin as the market goes down? Would you entertain the hope that in several years from now most of the stocks I have bought will have come back to near the price I paid for them?

I would also like to know if you would advise me to buy at the prevailing low prices more shares, in order to decrease my average.

I hold the following stocks:
25 Imperial Oil bought at $28.50.
35 Brazilian bought at $68.
20 Abitibi bought at $73.
10 Gen. Steel Wares bought at $35.
50 Massey Harris bought at $43.
15 Int. Pet. bought at $23.
15 Noranda bought at $58.
5 Smelters bought at $376.
23 Bordens bought at $49 (exchanged for City Dairy)
35 Canadian Wineries bought at $6.
5 Alberta Pacific pfd. bought at $99.

If you have neither the time nor the knowledge necessary "to play the market" you should have been taking delivery of your stocks from time to time as you bought them. By buying on margin in boom times you placed yourself in a position where you have not since been able to take advantage of declining prices because you have in effect been paying up for stocks bought at top prices. Your selection of stocks was for the most part sound as conditions were at the time of purchase. If you had paid as you went along you would now hold more stock representing about the same amount of money spent, and later purchases would have been made with reference to the changing conditions of business. You would also have sold out some of the stocks you now hold at higher prices if you had followed closely all articles in The Financial Post bearing on your securities.

The level of prices of commodities which are tangible, or of stocks, which represent more or less tangible values, can never be a matter of complete indifference. Each time you buy stock you have to consider whether it is a reasonable price to pay after considering dividend record, earning record, current earnings and apparent prospects. If the price you paid was reasonable and if later drops in price are only in sympathy with the general fall and are not the result of falling profits for the company, you can afford to ignore "downs." So far as "ups" are concerned you could also ignore those so long as nothing happened to change the real value of your security. If you felt at any time that the market was grossly over-valuing your security, it would be wise to sell.

Should Keep Advised

The investor, however, not looking for speculative gains, should be advised as to happening or trends bearing on his securities. The Financial Post, far from advising indifference to ups and downs, has made it its chief business to chronicle ups and downs and when there are marked changes in market value it has tried to get in the case of every listed security all available information which would help to keep investors like yourself informed. In fact, we have had many articles covering the changing state of affairs of every company mentioned in your list.

Be an investor by all means. Invest in sound stocks and stay by them as long as they remain sound. We are not in a static world, however. No value exists which is not subject to change and that is true from the British pound sterling to sardines. If you bought a house at a price which seemed reasonable according to 1929 prices you could not now sell it for the same amount unless local factors increased the price. Some railroad, highway or other improvement might at any time come along and spoil it for a residence. That applies to stocks. Extraneous and unforeseen events are always possible and are not to be ignored. The investor can be indifferent to the effects of market manipulation, however, and to all changes in market value which do not affect the reasonable return and security which first induced him to buy.

Many Buying Now

There are many investors who are buying at present low prices in the hope that the next five years will bring improvement in business volume to an extent that will make their purchases very much worth while. You can do the same if you give study from time to time to market conditions in order to see whether it would not strengthen your list occasionally to eliminate securities and buy others. You must be the sole judge as to purchases and it is the hope of The Financial Post that its facilities for gaining financial information, unequalled in Canada, will provide more and more pertinent information which will help you and all other Canadian investors of sound sense in their choice. The present is undoubtedly a buying time for the insider and the most discerning. More care is needed than formerly but if the choice be wise the results will be more favorable when times improve. They will improve eventually whether prices go lower or not and many of the companies you are interested in will share in the improvement.

To help you in your decision and pointing out that stocks held on margin may be considered vulnerable in a time of depression, especially as one never has, even with the strongest broker, a financial statement as to his position, we present the following facts concerning the general situation of the companies asked about by you.

Imperial and Brazilian

Imperial Oil, the leading Canadian concern in the oil business with the strongest financial position, sponsored by the largest and strongest company in the world in Standard Oil of New Jersey, is in the business from production of petroleum through International Petroleum in Peru and Colombia to the refining and marketing of gasoline and hundreds of oil products in Canada. On the other hand is the situation that the company and other large companies in Canada are protected by a tariff from a situation approaching demoralization in the United States. Current earnings are probably sufficient to look after dividends.

Brazilian Traction is in an excellent operating and earning position. Its whole prospect—from the standpoint of common shareholders—depends on Brazil, the country itself, coming back in a way which will make the milreis a dependable medium for exchanging into Canadian dollars in order to pay dividends. The Financial Post from time to time has been giving the news of the strenuous efforts being made by Brazilian and the Brazil government to right matters.

Abitibi and General Steel

Abitibi Power & Paper Co. is a well managed concern which showed a strong financial position in its last balance sheet. It encountered during the present year the most adverse period in the history of the business for the last ten years, and it, in common with others, is operating at about half capacity. Prospects for the future depend on a resumption of general business, an increase in advertising and a consequent increase in the size of newspapers which will bring up the demand for newsprint from Canada. Present prospects are not favorable to common dividends for some years at the best.

General Steel Wares has had greatly reduced earnings in the last two years because of the great reduction in purchasing power in Western Canada. Great economies have been made by the company and it hopes that the situation will revive in time to be favorable to it. Officials of the company state that they are encouraged by progress made in the direction of economies. It is an anxious time but every effort is apparently being made to keep the company solvent.

Massey-Harris is the leading agricultural implement company in Canada with interests in every country in the world. Its prospects are, therefore, bound up in a return of purchasing power to farmers which will probably come eventually and also in stable international relations which will permit its foreign subsidiaries to do well. A few strenuous testing years are ahead of the company.

Pete and Borden's

International Petroleum has so far been doing excellently. Its record is exceedingly good. It has as a background the huge over-production of petroleum products in the world and especially in the United States. The company has so far, in spite of this situation, managed to make considerable profit. Its actual profits are incorporated or consolidated with those of Imperial Oil, its parent company, and so the exact position cannot be ascertained. If political troubles in the South American countries where it operates do not bring trouble, expectations for its future among its followers are quite high. Continually increasing consumption of gasoline and oil products gives hope that eventually there will be a market for all of the present production at a reasonable price.

Borden's is one of the few companies which has managed throughout this year, though showing some diminution in gross business, to show a good net position. It is a very strong company, well run and current opinions given in financial journals in the United States are that its prospects for the future are excellent.

Canadian Wineries is still paying its dividend. A price war has developed in the cheap wine industry, and this is affecting earnings of the company. For a time it was thought that dividends might be dropped, but there seems to be a possibility now that even at present prices the company may be able to pay dividends. Time will show but the company has been carefully studying every avenue for improving its business. Products have been varied and improved, some non-alcoholic beverages being added.

Alberta-Pacific preferred must await larger crops in Western Canada and a recovery from the losses by unauthorized speculations a few years ago.

Oil Royalties

Please furnish us with your opinion regarding deeded producing oil royalties offered by Skelton & Company, 411 Bank of Hamilton Building, Toronto.

We have no opinion to express with regard to the individual deeded producing oil royalties offered by Skelton and Company, 411 Bank of Hamilton Building, Toronto. It seems to us a very difficult matter to discuss the value of oil royalties of properties situated in mid-continent or Southern States. Opinion differs widely on the ground and the difficulty of deciding wisely as to value increases in direct ratio with the distance from the properties on which oil royalties are held. Local knowledge, experience and personal investigation are all requisite in such purchases.

Northwestern Power

A client of mine holds some bonds of Northwestern Power Co. and is anxious to get an opinion on this security. Would you be good enough to let me know the position of these bonds?

The fact that bonds of Northwestern Power Co. are guaranteed by Winnipeg Electric Co. is one of the favorable factors seen in viewing the bonds from an investment angle. As you know, the hydro-electric developments of Northwestern Power Co. have only been in operation for a short time, and its earnings, as yet, are on a relatively low scale. Further, there is at present a tendency toward an oversupply of power in Winnipeg, due to industrial conditions, which may hamper Northwestern Power's earnings to some extent for the time being. At the moment, then, the chief merit in these bonds lies in the parent company's guarantee; indications are that Northwestern Power will be able to strengthen its position as business conditions improve.

Consolidated Oka

Have you any recent information on Consolidated Oka Sand & Gravel Co.? I hold one of this company's first mortgage bonds and am wondering how the firm is getting on.

Our information is that earnings of Consolidated Oka Sand and Gravel Co. in the first eight months of 1931 were maintained at approximately the same level as last year, though it is possible there will be some falling off in the remaining months of 1931. The amount of the company's bonds outstanding was $686,000 at the end of 1930. Interest, after depreciation, was earned 2.5 times last year, and in view of satisfactory eight months' operations it would seem that the company would cover its bond interest this year.

Dominion Bridge

As a reader of The Financial Post I would like to take advantage of your service to enquire regarding Dominion Bridge Co. Has the company done well in the last year, and do you consider the outlook satisfactory?

Operations of Dominion Bridge Co. are affected directly by the trend of construction activity, and earnings in the year ended October 31, 1931, may be expected to be lower than those of the previous year. Though the company has widely extended its scope of activity in recent years, as yet it is doubtful if revenue is commensurate with the outlay involved, in cash and through issuance of shares, in acquiring and enlarging properties. Dominion Bridge occupies a satisfactory financial position and its facilities place it in a position to bid on business offering in any part of Canada. Its financial statement, which will be available in a month or two, will enable you to form a better idea of the company's progress last year.

Ganong's

Please give me your opinion regarding the preferred shares of Ganong Brothers, as an investment. I am not acquainted with the financial standing of this firm.

We are not in a position to give an opinion on the preferred shares of Ganong Brothers since the company does not make public its financial statement. Our understanding is that the company has never made a public offering of this stock, consequently it may be supposed that issued stock is closely held. Ganong's has been in business for many years and has built up a market for its output, but without a knowledge of the company's financial status it is impossible for us to comment one way or another on its securities.

Can. Vickers; Ont. Power

I have been considering an exchange of a 6 per cent bond of Canadian Vickers Ltd. which I hold for a 5½ per cent bond of Ontario Power Service Corp. How do these bonds compare and would you advise an exchange?

Street prices on the 6 per cent first mortgage bonds of Canadian Vickers Ltd. are around 68 to 70 which would give a yield of about 9.7 per cent while the 5½ per cent bonds of the Ontario Power Service are quoted at around 65 to give a yield of somewhat better than 9 per cent.

The financial statement of Canadian Vickers Ltd. at February 28, 1931, showed a much stronger position than at the end of the previous fiscal year in which the company had a deficit of $200,040 after deduction of depreciation, bond interest and reserve for contingencies. In the year ended February 28, 1931, the company had net earnings of $637,070 before depreciation and bond interest and earned bond interest 3.9 times before depreciation and 2.7 times after depreciation.

Annual bond interest requirements amount to some $162,000 and the company receives an annual subsidy of $105,000 from the Dominion Government up to 1948 and these payments are assigned under the trust deed as security for the bonds. In other words over two-thirds of the bond interest requirements could be met from this subsidy regardless of the company's earnings from operations. While operations of the company are well diversified net earnings are subject to fluctuations from year to year.

The power development being undertaken at Abitibi Canyon by Ontario Power Service Corp. is scheduled for completion by Oct. 1, 1932, and work is understood to be ahead of schedule. The company has substantial contracts with the Ontario Hydro-Electric Power Commission while it is planned that surplus power available will be used by Abitibi Power & Paper Co., the parent company. At the present time there is no reason to believe that there will be any change in plans or any occurrence that would affect the security of the Ontario Power Service bonds. The more or less unsatisfactory condition of the newsprint industry, however, has not strengthened public confidence in the bonds of paper companies or their subsidiaries. This general lack of confidence is reflected in the low prices at which bonds of this type are selling at the present time.

It is not the policy of The Financial Post to make any definite recommendation as to the switching from one security to another since such action is necessarily an individual matter.

Gatineau or B. C. Tel.

We understand that Gatineau 5's, 1956, can be bought for about $85 and that B. C. Telephone 5's, 1960, are selling for amout $96. Would you recommend a switch?

Gatineau Power Co. has shown increases in both gross and net revenue during the current year as compared with 1930 and has earned interest charges on the 5 per cent first mortgage bonds by a satisfactory margin. In the 12 months ended June 30, 1931, net revenue of the company amounted to $7,121,204 available for interest on the first mortgage bonds which amounted to $3,227,506.

The bonds are listed in New York as well as in Canada and suffered materially in price during recent liquidation of Canadian securities in New York. The fact that Gatineau Power Co. is controlled indirectly by International Paper and Power Co. has had a somewhat adverse effect upon price of the bonds during the past year on account of the unsettled condition of the newsprint industry. It is our understanding, however, that revenue of Gatineau Power Co. derived only from contracts which it holds with the Ontario Hydro-Electric Power Commission, Ottawa Electric Company and other contracts with municipalities, is sufficient to cover not only all operating charges of the company but interest on the first mortgage bonds with a margin to spare. In addition, the company derives revenue from contracts for hydro-electric power made with various large industrial users. In normal times, the Gatineau bonds have a wide market but current prices around 85 are in line with general market conditions and do not reflect more than general uncertainty regarding the issue. Information available does not indicate any particular weakness.

British Columbia Telephone has had a consistent record of growth in the number of telephones installed and net earnings have been sufficient to cover interest charges by wide margin. The company has outstanding $10,000,000 of 5 per cent first mortgage bonds due 1960, on which annual interest charges will be $500,000. In the 12 months ended Dec. 31, 1930, the company showed net earnings available for bond interest and depreciation of $2,085,457. Utility earnings are not subject to violent fluctuations and interest charges in 1931 should be covered by a good margin. The bonds do not have as wide a market as the Gatineau 5's, but as you can see from current quotations the price has been well maintained and at 96 the bonds are selling slightly higher than the original offering price of 95½ in December, 1930. An additional offering of $2,500,000 of the series "A" bonds was made in June, 1931, at 100.

We do not know which bond you hold. In any case we do not advise on switches but trust the information given will help you to make your own decision.

Milton Brick

A number of our clients are holders of first mortgage bonds of Milton Brick, Ltd., on which interest was not paid on October 1. We would appreciate it if you can give us a line on the capital structure of the company. We are under the impression that the Milton Brick has had a sinking fund for a number of years and that the mortgage is considerably reduced from the original amount.

Milton Brick Ltd. has a capitalization consisting of a 6½ per cent first mortgage, closed, sinking fund bonds of which there are $255,400 outstanding of an original issue of $320,400 and common stock of $100 par value of which there is $841,000 issued and outstanding out of an authorized amount of $1,500,000. The common stock has never been publicly offered.

The bonds were originally offered in April, 1925, but the company has never published a balance sheet or earnings statement and has never given any details as to the amount of dividends paid on the common stocks. On April 1, 1931, the company redeemed $15,000 principal amount of bond as called for in the trust deed.

We are informed that the sinking fund has been kept up-to-date and that the company is continuing to operate, but other than this there is no information available from the head office of the company. Since no balance sheets have been issued it is impossible to draw any conclusions as to the financial position of the company. The first mortgage bonds are secured by a first closed mortgage on land, buildings and equipment and a floating charge on the liquid assets of the company. The properties owned by the company consist of three brick plants, two of which are located in Milton, Ont., and one in Streetsville, Ont., and the company also owns 500 acres of Medina shale deposits.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Canada Night Hawk Mines

Will you please advise me if shares of Canada Night Hawk Mines Ltd. have any value or if the company is still in existence?

Canada Night Hawk Mines is still in existence, but shares of the company are not listed and there is no market for them. The property was partially developed as a barite deposit but has been inactive for many years, owing to lack of finances. A partially equipped mill is on the property.

Calmont Oils

Will you kindly give us an opinion of Calmont Oils, stating what you consider the prespects are for this company.

Calmont Oils started out with an ambitious drilling programme backing up promotional activity. The result has been that it has brought in two small producers, the combined output of which does not give a profit. In July it amounted to something like 500 barrels.

Under the conservation measures to be inaugurated in Turner Valley all the producers will experience a substantial reduction in output and consequently in earnings. This is a government measure undertaken to conserve the gas and prolong the life of the valley and will doubtless ultimately work out for the good of all concerned but has the immediate effect of materially reducing the present earning power of all of the companies involved. This affects Calmont the same as all other companies, and until there is a substantial increase in the market for the gas produced which will permit the increased production of crude naphtha, there is little likelihood for increased earnings for any of the companies.

Scotia-Manitoba Mines

We shall be much obliged if you will favor us with your opinion as to the future prospects for shareholders of Scotia-Manitoba Mines. Is there a market for the shares of this company?

Scotia-Manitoba Mines Limited is inactive. It owns a large group of claims in the Cold Lake district of Northern Manitoba, some of which adjoin the Sherritt-Gordon Mines on the east.

Owing to the current copper situation, there is little interest in the exploration of copper properties. Whether or not the claims of the company have potentialities is not of immediate concern as there is very little interest in undeveloped copper properties at the present time.

Our understanding is that the company is without funds to carry out any extensive development programme and therefore, until funds are made available and the outlook for copper improves, it will be difficult to find a buyer for the shares.

GEORGE A. FULLER COMPANY of CANADA LIMITED

BUILDING CONSTRUCTION

DIRECTORS

R. G. Babbage	H. T. Hunter
W. A. Black	N. L. C. Mather
L. R. Crandall	Wilmot L. Matthews
Geo. T. Pepall	J. F. McPherson
J. J. Gibson	J. L. E. Price
D. I. McLeod	Hon. J. M. Wilson

TORONTO
MONTREAL

SERVICE · EXPERIENCE · ORGANIZATION

The Financial Post Answers Your Questions Without Charge

As a subscriber to The Financial Post you are entitled to ask questions regarding any investment that you are interested in.

Address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....

Occupation ....

Address 882

Property Management

makes for assured constant minimum vacancies, and minimum operation costs. Information regarding our Property Management Department submitted on request.

McWILLIAMS & BROUGHALL

Members Toronto Real Estate Board
Members National Real Estate Board
25 King Street West
TORONTO
Elgin 4182-3-4

Associated Telephone & Telegraph Company

With diversified operations and substantial interests in many countries, Associated Telephone & Telegraph Company ranks as one of the leading international telephone organizations of the World, and comprises an alliance of British, Canadian and American financial, manufacturing and operating interests of long and successful experience in the telephone business and allied industries.

The Company's record of earnings throughout the recent depression has clearly demonstrated the stability of the telephone business at large and the excellent management of this international group in particular.

The Company owns substantial interests in Canada. In turn the Canadian public through investment is already interested in the Company's business to the extent of over $18,000,000.

We recommend for Investment:

Associated Telephone & Telegraph Company 5½% Gold Debentures due May 1st, 1955. Price: 86 to yield 6.67%.

Associated Telephone & Telegraph Company *Six Dollar Preferred Stock. Price: At Market to yield about 7.14%.

British Columbia Telephone Company 5% First Mortgage Gold Bonds due Dec. 1st, 1960. Price: 95 to yield 5.35%.

(All prices plus Transfer Tax)

**Listed on Montreal Stock Exchange*

A comprehensive booklet descriptive of the Company and its operations is available upon request.

W. C. PITFIELD & COMPANY

235 St. James Street - 80 King Street West
MONTREAL TORONTO

OTTAWA QUEBEC SAINT JOHN HALIFAX LONDON, ENG.

148

WHAT THE "WELL-TO-DO" MAN NEEDS TO-DAY

A complete "show down" on his financial affairs.

An analysis of his Estate, to find out » »

1. If his interests, including his family, are fully protected against serious eventualities in event of his own death.
2. How seriously will the stoppage of earned income affect his own plans for retirement.
3. If recent damage to his Estate has been made good, should he die before conditions right themselves fully.
4. If he has taken advantage of the concessions made by certain provinces to lessen Succession Duties.

WEALTHY MEN HAVE WRITTEN US:

"Your service has not only meant substantial savings in dollars and cents to my estate but also considerable satisfaction to myself."

"I felt for a long time the desirability of such a service, although this important matter has been neglected until you brought to my attention the necessity for action."

"The fund of information you have regarding Succession Duties, and the Provincial Law affecting estates, is well worth any man's serious attention."

We can serve you in the same "worry-saving" way. Why not communicate with our Head Office, where your case will be given personal attention.

Head Office, Toronto

The CANADA LIFE Assurance Company

Established 1847

Canadian Pulp and Paper Industry

INTERNAT. PAPER NEWFOUNDLAND RECORDS SURPLUS

Gross Sales and Balance to Surplus for Nine Months

MONTREAL.—International Power and Paper Co., of Newfoundland, a division of International Paper and Power Co., is one organization that can make money operating under present unsatisfactory conditions in the newsprint market.

During the quarter ended September 30 last, the company reported gross sales of $2,345,946. This compared with $2,034,991. After providing for operating expenses, net operating income for the quarter totalled $853,028 as against $765,588 in the third quarter of 1930.

Increase in Surplus

Interest charges and various appropriations for reserves, left a balance of $248,540 to be added to surplus during the quarter ended September 30, 1931. This compared to $194,986 for the corresponding period last year.

Details of the quarterly income statements follow:

	Quarter ended Sept. 30 1931	1930
Gross sales	$2,345,496	$2,034,991
Net revenue, incl. other income	853,028	765,588
Less:		
Deprec. & depl.	183,293	157,759
Int. on 1st mtge bonds	60,825	60,825
Int. on debs., other int. and amort. of bond disc.	360,370	352,018
Bal. to surplus	248,540	194,986
Surplus June 30	2,920,626	1,935,804
Surplus Sept. 30	3,169,166	2,130,790

Returns for the nine months ended September 30 last compare favorably with those for the same period in 1930. Gross sales advanced from $6,265,805 to $6,647,247. An apparent reduction in operating expenses is seen in the fact that net revenue from operations, including other income, advanced from $2,130,068 to $2,372,496.

Smaller amounts were written off for depreciation and depletion during the past nine months, but interest on debentures and loans and amortization of bond discount increased. The balance to surplus, however, of $651,379 compared with $377,644 for the first nine months of 1930.

Comparative statements of the income account for the first nine months of 1931 and 1930 follow:

	Nine mos. ended Sept. 30 1931	1930
Gross sales	$6,647,247	$6,265,805
Net revenue, incl. other income	2,372,496	2,130,068
Less:		
Deprec. & depl.	483,201	589,204
Int. on 1st mtge. bonds	182,475	182,475
Int. on debs., other int. and amort. of bonds disc.	1,055,441	980,745
Balance to surplus	651,379	377,644
Surplus beginning	2,517,787	1,753,146
Surplus Sept. 30	3,169,166	2,130,790

Segregate Holdings

From Our Own Correspondent

MONTREAL.—Programme for the segregation of substantially all the water power properties of International Paper Co. in the United States has been approved at a special meeting of stockholders. The first step will be to transfer the directly-owned properties, with minor exceptions, to subsidiary companies, all the stock of which will be controlled by International Paper.

The company reports that its interest in the properties will not be diminished by these changes, but its ownership will be changed from a direct to indirect one. The transfer will facilitate the consummation of its announced purpose ultimately to segregate all its power properties under the control of the International Hydro-Electric System, one of the major divisions in International Paper and Power Co.

Work to be Done

Arrangements for the acquisition by International Hydro-Electric of control of the water power which is to be segregated at this time have not been completed nor have the terms been arranged by the respective boards of directors.

Acquisition of the properties, which would carry with them sufficient income in their present partially developed state to place them immediately on a self-supporting basis, would add approximately 450,000 horsepower to the potential hydro-electric capacity of International Hydro-Electric.

The 450,000 horsepower of water power is being transferred as a potential output of over 1,300,000,000 kw.h. a year. Of this, 70,000 horsepower is already developed in modern hydro-electric plants having an annual output of 250,000,000 kw.h. which is sold to large industrial users and to public utility companies for distribution in adjacent areas.

The powers concentrated on the Hudson River above Albany are the most important of the entire group. These have an aggregate potential capacity of more than 250,000 horsepower with a usable output of over 500,000,000 kw.h. a year.

Conceived Long Ago

The inception of the company's policy of segregating its water powers was indicated in the trust deed securing its 6 per cent refunding bonds issued in 1925. This deed expressly provides for the release of the directly-owned water powers of the company to a directly or indirectly-owned subsidiary and specifies the conditions under which the assets of the direct or indirect subsidiary may be sold.

The lien of the first refunding mortgage, securing the 5 per cent gold bonds of the company, will remain unchanged on the Hudson River powers and on all of the other powers, except three properties in New Hampshire and Vermont for which other property will be substituted. The plan contemplates, moreover, that the company acquiring the properties, except the last three mentioned, will assume payment of the principal, interest and sinking fund of the 5 per cent bonds.

Paper Producers Here Effect Price Reduction On Newsprint Contracts

Revised Rate is $54 a Ton on New York Delivery

MERGER PLANS MOVE

Price Reduction Expected to Stimulate Discussions — Questionnaire Sent Out

From Our Own Correspondent

MONTREAL. — Contract newsprint price, on 1932 deliveries to publishers in the Northern American zone, of $53 a ton has been announced to clients by the leading Canadian manufacturers. This new rate covers deliveries in the area centering on New York and is equivalent to a reduction of $4 a ton on the old price which was $50 a ton f.o.b. mill.

Great Northern and International Paper Co. have fallen in line with the new price schedule. In addition to the $53 rate for the northern zone International announces a 1932 price for delivered newsprint at Boston of $52 a ton, $53 a ton at Norfolk, Jacksonville, New Orleans and Houston, $56 a ton at Atlanta and $60 a ton at San Antonio. Take in Story

Effect on Earnings

The cut in price, while regretted in many quarters, does not unduly disturb the earning power of the Canadian companies as seriously as is might have a year ago.

For several months past newsprint has been selling in New York at a level considerably under that prevailing for contract deliveries from American and Canadian mills. The selling has been coming from the Scandinavian mills, which have been offering newsprint at $10 to $12 a ton under that asked by the Canadian producers.

This the Scandinavian mills have been able to do owing to the depreciated value of their currency, which has dropped approximately 25 per cent form the level prevailing before Britain went off the gold standard. The Canadian dollar had also depreciated but not to the same extent as the Scandinavian currency. Thus during the past several weeks Canadian mills have been collecting a substantial premium on their sales in the United States, payment for which has been in New York funds.

Premium Big Help

At the present time the Canadian dollar is at a discount of about 17 per cent. On the 1931 price basis, the Canadian manufacturers were receiving of late about $58 on an F.O.B. mill basis in Canadian currency from American buyers. Under the new schedule, the charge is roughly $46 a ton F.O.B. mill, which gives the manufacturer around $53.75 a ton in Canadian funds. This compares with $50 a ton before the Canadian dollar started to sell at a discount in New York.

The drop in the price of newsprint for 1932, therefore, does not impair earning power as compared with prices prevailing in the first half of the year. Put in another way the Canadian manufacturers are giving up a premium of approximately $5 on 1932 deliveries, always provided that exchange remains at current levels.

Maybe More To Come

The drop in price will be welcomed by the American publishers, but the much desired stability of the market does not appear to have been reached. For several months past American publishers have been aware that it was only a matter of time before a reduction was announced. The exchange situation has brought into play a new factor. So far the publishers have not seen fit to take advantage of this development, preferring to sit back and see what steps the manufacturers would take to stabilize the market.

As long as the manufacturers cooperate the price situation can be kept in hand. But this is doubtful if the Scandinavian producers continue their price-cutting tactics in the American market. At the same time the American mills are just as anxious as the Canadian mills to secure tonnage, and it may be that they will make further reductions, though they are handicapped in this respect to being at a disadvantage on costs.

The Canadian mills would appear to be acting with greater degree of co-operation than in the past, but, they too are faced with the problem of holding and increasing tonnage in a market which might get out of hand.

Current Merger Situation

It is expected that the action in reducing the prices will make easier negotiations looking toward a consolidation of the major Eastern Canadian newsprint manufacturers.

Several meetings of the executives have been held to discuss the possible merger, but to date definite action lies in the collecting of data on the different properties in order to arrive at a considered opinion of the relative value of the different units.

Questionaires are understood to have been sent to the principal manufacturers, calling for detailed information in respect to their properties, newsprint contracts, or any other material which might be helpful in arriving at a valuation of properties. Until this work has been completed and the returns tabulated in comparative form, negotiations of a consolidation character are likely to be no more than discussions of broad principles.

It is now apparent that the present merger plans are more determined than others negotiated. The strong sponsorship in the present instance has made for co-operative determination to find a way out of the present unhealthy affairs of the newsprint industry.

Mersey Paper's Plant at Capacity

From Our Own Correspondent

MONTREAL. — Mersey Paper Co.'s mill at Liverpool, N.S., is running to capacity and prospects are that operations will remain so for some time to come in view of the demand from the New York and Nova Scotia markets.

Since commencing operations just over two years ago Mersey Paper has managed to keep its two machines, of 125 tons capacity each, operating at a level much higher than that prevailing in other plants across the Dominion. Production in the twenty-four months amounted to 138,489 tons, having a nominal value of $7,409,734. This was equivalent to the consumption of 187,034 cords of Nova Scotia pulpwood.

Dominion Rubber Co. Restricts Plant Activity

From Our Own Correspondent

MONTREAL. — Dominion Rubber Co.'s Notre Dame street factory in Montreal will be partially closed at the end of this month. Operations will be curtailed in the rubber footwear manufacturing branch, and orders on these lines will be switched to the factories at Kitchener and St. Jerome, where work for some of the Montreal men may be found.

It is reported that the employees affected by the closing of the plant will number 400 and that efforts are being made to transfer all employees with dependants to the plant at St. Jerome. The bulk of the personnel, however, consists of girls.

AMERICAN PAPER TRADE IMPROVES SAYS DUN SURVEY

Conditions in U. S. Market More Hopeful of Late Months

From Our Own Correspondent

MONTREAL.—Operations among manufacturers in the United States paper industry have been on a downward scale compared with last year, but the decrease, however, is becoming smaller, and each month's operations are nearly approaching the level of 1930, according to a survey compiled by R. G. Dun Co.

In all probability, the survey points out, operations of most branches of the trade by the end of the year will be on the same level as they were at the end of 1930, as fluctuations in the paper industry always are of a moderate nature.

There has been but little recession in newsprint sales, the report says, and the wrapping paper division is holding up fairly well from a volume standpoint. The carton turnover is under the figures for the comparative 1930 period, but paper bags, paper utensils and toilet requisites in this line are selling reasonably well. Boxboard still is moving irregularly and the demand for heavy building papers continues sub-normal, because of the lacking construction operations. Paraffined paper is in good demand, but orders from the general printing trade are not up to the seasonal average.

The special survey of the general paper trade prepared by R. G. Dun Co. continues:

"Throughout the industrial world, there are few major industries operating at as favorable a rate as the paper industry, for it is not so sharply affected by the radical upward and downward movements of general business. The decrease in operations for the current year to date is approximately 9 per cent, when compared with the schedules maintained during the comparative period a year ago.

"Operations have been well balanced, and stocks have been reduced so that at present they are 5 per cent below the level of a year ago. Most of the major sections of the paper industry have managed to balance the supply and demand factors very well. In some instances even, such as book paper, the demand is somewhat heavier than production.

This has not affected prices, however, as these have been generally downward, principally as a result of abnormally low raw material prices from foreign sources. With any substantial increase in demand, and with any advance in raw material prices, the trend is expected to be upward.

Newsprint Prices Lower

"The price of newsprint from British Columbia mills delivered at the principal ports of the Province during 1932 and 1933 has been cut to $50 a ton. This is a reduction of $8 from the previous price, effective January 1, 1931, and of $13.50 from the price existing immediately before that date.

"While the Canadian pulp and paper industry undoubtedly has felt the present economic crisis, it is in a better position than ever to contribute toward the world's requirements of pulp, newsprint and other paper. Canada now manufactures 37 per cent of the world's supply of newsprint paper, exceeding in 1929 the production of the United States, the nearest competitor, by more than 1,300,000 tons. Preliminary figures for 1930 show a lead of over 1,200,000 tons. Canada's exports of this commodity are almost ten times as great as those of Germany, the country of next importance, and exceed the exports of the rest of the world combined.

"Foreign shipments of paper and paper products from the United States during the first three-quarters of the current year, amounting to $17,375,527, represented a decrease of 27 per cent, as compared with the total for the same period in 1930. With the corresponding import group totalling $95,290,102 and representing only a 13 per cent decrease by like comparison, it is evident that the balance of the foreign paper trade of the United States is becoming more and more unfavorable.

"This unfavorable trade balance, already large, was aggravated by the 40 per cent increase in the imports of cigarette paper by the United States over those of the corresponding period in 1930. The inception of this trend took place back in 1913, when American newspaper publishers began to depend more and more on foreign, principally Canadian, sources of supply for newsprint, resulting in a phenomenal growth in the Canadian newsprint industry.

"In 1913, imports of newsprint into the United States from Canada were valued at less than $10,000,000, but by 1929 they had reached the prodigious figure of $132,282,041. From that peak year, there has been a gradual decrease until, for the first three-quarters of the current year, newsprint imports from Canada amounted to $73,360,657.

GREAT LAKES PAPER STATEMENT ISSUED

$20,926,000 Nominal Surplus Shown on Balance Sheet

From Our Own Correspondent

MONTREAL. — Great Lake Paper Co., of Fort William, Ont., controlled by the Backus-Brooks Co., had assets of $41,517,520 at the end of March, 1931, according to a statement of affairs prepared by a firm of Toronto accountants, while claims payable prior to the 6 per cent first mortgage bonds amounted to only $241,508.

After providing for these claims and principal and accrued interest on bonds outstanding amounting to $10,350,000, there remained a nominal surplus of $20,926,012 available for the creditors and shareholders. Claims of creditors, ranking after the bonds, amount to $2,645,425, of which $2,161,765 is due to bankers.

Trading Assets $874,709

The balance sheet showed trading asets at $874,709, which includes $13,328 in cash, $294,715 due by receivers of Minnesota and Ontario Paper Co.; $412,377 as estimated equity in pulpwood and $98,240 in finished products and supplies. Investments at market value are carried at $25,000. Dominion of Canada bonds and accrued interest were shown at $103,039, subject to a charge in favor of the Ontario Hydro-Electric Power Commission.

In the three months ended March 31, net earnings of Great Lake Paper Co. amounted to $285,325, or an operating surplus for the period of $31,861. Average sales per month and average price received per ton are stated to have been lower than was the case in 1930.

Current Sales Down

For the first five months ended August 31, 1931, both average sales per month and average price received per ton were lower than for the corresponding figures for the three months ended March 31, 1931.

Great Lakes Paper Co. is not affected by the reorganization of the Ontario and Minnesota Paper Co. The Fort William mill is operating under receivership of the Natonal Trust Co., receivers for the Great Lakes Paper Co., and is working a force of about 400 men on short time.

JAMES W. SEWALL
Consulting Forestry
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER
Ruttan Block, Port Arthur, Ontario

Saint John Harbor Ready for Shipping

From Our Own Correspondent

MONTREAL.—Inauguration of the 1931-32 shipping season for the port of Saint John took place on December 1, and the formal opening also marked the completion of the reconstruction work on the west side. At West Saint John the disastrous fire of June 22nd reduced the waterfront to ruins and since that time a major reconstruction programme has been rushed through under the direction of the Saint John Harbor Commissioners with the object of restoring the facilities by the opening of Saint John's heavy traffic season.

During some twenty weeks of reconstruction, the Harbor for Saint John has been provided with six berths, complete with steel sheds, grain conveyors, and also a frost-proof warehouse of 30,000 barrels capacity. The restored facilities will enable the business of the port to be carried on efficiently during the winter. Most important in West Saint John's shipping season is the business of the Canadian Pacific Steamships, scheduled to include 45 arrivals and 45 departures during the winter season.

Base Metal Mining Centre

British Columbia is the leading centre of the silver-lead-zinc mining industry. In 1930 this province, besides producing 45 per cent of Canada's silver, was the origin of 97 per cent of the lead, and 93 per cent of the zinc of the Dominion. The Sullivan mine, noted for its output of lead and zinc, is the largest individual silver-producing mine in Canada.

GEORGE F. HARDY
Consulting Engineer
305-309 Broadway, New York City, N.Y.
Member:
Amer. Soc. C.E. Amer. Soc. M.E. Eng. Inst. Can.
Consultation
Reports
Valuations
Estimates
Paper and Pulp Mills
Hydro-Electric and
Steam Power Plants
Plans and Specifications

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que.
Beaupre, Que.
Sturgeon Falls, Ont.
Espanola, Ont.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

A Few of the Hundreds of Quotations in Leading Newspapers of The Financial Post's Editorials on the Tax Racket.

Sweeping Across Canada - -

The Public Demand for Efficient Government

IN EVERY part of Canada the basic need for governmental policies that will drastically reduce public borrowings and taxation is recognized. Newspapers are paying more attention to the subject than ever before. Business men are grappling with the problem. Slowly those in charge of public affairs are also being brought to a realization of the absolute necessity for both economy and efficiency in the management of the nation's business.

The Financial Post has for a long time felt its responsibility in giving national leadership on a question as important as this. Articles on the tax racket that have been published in The Financial Post this year have been quoted in hundreds of newspapers from coast to coast. Figures compiled by The Financial Post and published in this journal have been made the basis of many public addresses and leading articles in influential papers.

Long before depression hit this country, The Financial Post pointed to the serious results that were bound to ensue from our extravagant governmental policies and from the constant invasion of the field of individual responsibility by governmental bodies. When the depression came, The Post made it clear in its editorial columns that Canada would find a return of prosperity only in the complete overhauling of our costs of production and merchandising, not only through a scaling down of the expenditures of private business, but in scaling down the expenditures of public business. The events of the past year have proven the importance and soundness of this basic policy.

Private business has undertaken the business of setting its house in order and of getting down its costs. The average business concern in business today is more efficient, is better equipped to meet the problems created by the drastic decline in prices and the curtailment of international trade, than ever before. The process of cost reduction is being pursued relentlessly by every executive. It only remains to enforce the wide scale adoption of these policies by governmental institutions. Articles recently published by The Financial Post have already had a tremendous effect and have brought about radical changes in the policy of many governments, changes that are but the forerunner of more changes still to come.

The tax problem is the problem of every man, woman and child in Canada. Public opinion is beginning to make itself felt, and public opinion will win out in giving the country efficient, economical administration of its public affairs in every class of government.

The fight for efficiency in government in Canada has only started. The Financial Post began the crusade and it will continue to do its part in routing the Nemesis of Canadian prosperity — excessive governmental expenditure and over-taxation.

Governments can act only as public opinion enables them. Make your own views on the subject of efficiency in government known to your aldermen, mayors, provincial legislators and members of parliament.

Read each week, in "The Nation's Business" column, on the editorial page and in the news columns of The Financial Post, the striking views and facts that are presented in an effort to put Canada in a position again to assume leadership in world economic development.

"The Nation's Business," which is each week the first column in The Financial Post, is read more closely, more carefully, by leaders of business and public opinion in Canada than any other editorial column in the country. Read it and benefit from it every week.

Get into the fight; it's your fight. Write us your views

THE FINANCIAL POST

"A Newspaper of National Leadership"

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

WHEN REMITTING SEND CANADIAN NATIONAL EXPRESS MONEY ORDERS

Hodgson Bros. & Co. Limited
Formerly Hodgson Bros. & Dunton Limited
INVESTMENT SECURITIES
240 St. James St., Montreal

NEWS on the trend of trade in Canada page 7

Municipal Bond News
FOR over forty years this organization has been devoting its efforts exclusively to the publication of accurate State and municipal bond news. Not "flash" items or rumors, but carefully prepared news covering all the technical requirements of the municipal market have been responsible for its recognition as "The Authority on Municipal Bonds" It is, therefore, the logical medium for municipal bond sale advertising.
Daily and Weekly Editions.
THE BOND BUYER
Since 1891
"The Authority on Municipal Bonds"
67 Pearl Street New York, N.Y.

Algoma
A reputation— as well as a name
Algoma Steel Corporation Limited
Sault St. Marie, Ont.
General Sales Office:
MONTREAL:
730 Canada Cement Building
District Sales Office:
TORONTO:
1206 Northern Ontario Building

JOHN COTTON'S TOBACCOS
"Scotland's Best"

"Scotland's Best" is the world's best in tobaccos.
That's why just as many experienced smokers in Canada revel in Scotland's smoke!
JOHN COTTON'S brings you comfort, peace, relief from worry, coming as it does from an older and more placid world.
Mild - Medium - Strong
1 Ounce Tin - 25c
2 Ounce Tin - 50c
4 Ounce Tin - $1.00
JOHN COTTON'S Export Virginia Cigarettes
In Boxes of Twenty-five and Fifty
Sole Agents for Canada
CLARK, FRUITIER & CO. LIMITED
1016 Beaver Hall Hill
MONTREAL

BRUCK SILK MILLS RECORD INCREASE IN NET EARNINGS

Profit Reported Against Deficit in Previous Fiscal Year

From Our Own Correspondent

MONTREAL. — Net operating profits of Bruck Silk Mills in the fiscal year ended October 31, 1931, were $111,036, compared with $62,743 in the previous year. After all charges, which included a slightly higher provision for depreciation, net income was $8,152 as opposed to a defiit of $34,045 recorded in the preceding period.

Net income was equal to 8 cents a share on the 100,000 common shares of no par value outstanding. This compares with a deficit of 34 cents a share in the previous year and a profit of $2.80 a share in the year before that. No dividends were distributed in the year under review.

A profit of $4,215 on bonds redeemed during the year was added to surplus which enabled the company to bring forward a balance of $387,927 into the current year—an increase of $12,367.

Comparison of Income

Following is a comparison of profit and loss accounts for the past two years:

Year ended	1931	'930
	— October 31 —	
	$	$
Gross trading profit	292,961	207,598
Expenses	181,925	144,855
Net oper. profit	111,036	62,743
Mortgage int.	140	199
Bond interest	33,000	33,657
Bond disc. amort.	2,000	2,000
Depreciation	67,744	0,932
Net income	8,152	*34,045
Prof. bds. redeemed	4,215	......
Total income	12,367	*34,045
Divds. paid	......	75,000
Year's surplus	12,367	*109,045
Prev. surplus	375,560	†484,605
Total surplus	387,927	375,560

† After adjustment of $187 reserve for income tax overpaid.
* Deficit.

Working Capital Higher

Working capital is up $46,000 at $298,399. Current assets were $431,276 as compared with current liabilities of $132,877. A decline in current liabilities as compared with the previous year is a reflection of reduced bank loans and accounts payable.

In assets, cash is lower by $12,000 at $16,232 while accounts receivable are lower by $25,000 at $95,142. Inventories, however, show an increase of $68,000 at $296,831. In connection with the latter figure it is pointed out that inventories have been taken at cost or market, whichever is lower, and the company has future contracts for raw silk to a value of about $40,000 which is approximately 15 per cent under the prevailing market level.

Property Account Increased

Undepreciated property account has increased slightly during the year to $1,209,846. After deduction of depreciation reserve of $298,140, net plant investment is $911,706, a reduction of $43,000.

It is pointed out that in the past year, the capacity of the dyeing and printing department was largely increased without recourse to additional financing.

Bank Loans Reduced

In liabilities, bank loans have been reduced by $34,000 to $41,000 and accounts payable are 50 per cent lower at $26,328. Bills payable show a sharp gain at $65,550 compared with $14,300 at the end of the previous year.

During the year $14,000 of 6½ per cent first mortgage bonds were redeemed, compared with $10,000 in previous years, leaving $493,700 outstanding. In redeeming these bonds a profit of $4,215 was realized. Further, a mortgage on one of the company's properties has been reduced by $1,000 to $2,000.

President Makes Comments

In commenting on activities during the year, I. I. Bruck, president of the company, stated that unfavorble forces continued to exert their influence on the silk manufacturing industry last year. The market level of raw silk declined further, making necessary additional absorption of depreciation on inventory account.

Sales during the year showed an increase in volume, after declining sharply in the first six months to the extent of about 15 per cent and then increasing in the latter half by about 23 per cent. Mills, he stated, produced about 50 per cent greater volume of yard goods than in the preceding period. Credit losses sustained were substantially higher, but these were largely in the form of bad debts which had been written off.

Seven Simple Tests Show Rank of Foreign Bonds

Points for Investor to Consider in Analyzing Present Position of His Holdings Are Brought

ARTICLE TWO: TESTS OF A FOREIGN GOVERNMENT BOND

In this discussion of foreign bonds an appraisal of all classes of such securities would be quite impossible; and since relatively few corporate issues were offered in this market by foreign concerns, we will confine the scope of these articles to an exposition of the principles underlying investment in foreign government bonds.

Before investing in any foreign government issue the investor should be certain that

(1) The bonds are "external"—i.e., principal and interest payable in the currency of the purchaser's country, or at least in a stable currency of corresponding value. (Most foreign bonds sold in Canada are payable in New York, which today is definitely an advantage to Canadians), and

(2) Interest on the bonds must be paid in full without deduction for taxes either present or future.

Unless these two features are a part of the bond issue, the bonds should not be considered for conservative investment.

Seven Standards

With these restrictions as a starting point we can progress to a consideration of specific tests of foreign issues. From the experience of English investors who for many years have placed their funds in foreign countries, and in the light of all previous foreign government financing, certain standards or tests have been developed and may be stated as follows:

1. Character of the people.
2. Debt record.
3. Economic status.
4. Trade and currency situation.
5. Financial position.
6. Political stability.
7. Purpose of loan.

Whether or not each security has been studied with these particular standards in mind, successful investment in foreign government bonds has undoubtedly been the result of implicit application of these or similar tests. We may elaborate the essential nature of these tests briefly as follows:

1. Character of People

Perhaps no nation has enjoyed such a continuously high credit rating as Great Britain, while few countries have failed as dismally in the performance of their obligations as China. Both countries possess great wealth in natural resources but their people are essentially different in character. One nation is progressive; the other is backward. The character of the people has created a chasm between these two countries.

It is well known that the population of tropical or semi-tropical countries is frequently indolent and unprogressive and it is to be expected in such cases that a rather casual attitude may be adopted with respect to the country's obligations. If a large portion of the population is illiterate and altogether ignorant it should not be anticipated that a high degree of responsibility for parliamentary contracts will be evidenced.

Generally speaking, therefore, only those countries whose people possess a reasonably high degree of character are entitled to enter the world market for a line of credit.

2. Debt Record

In analyzing the debt record of a nation, differentiation should be made between defaults and repudiation. The force of economic circumstances may prevent a government, temporarily, from living up to its contracts although later such contracts are fulfilled completely. Bad faith is quite another matter. The Soviet Government in Russia has repudiated all debts incurred by the former monarchy and in doing so has irretrievably destroyed its right to borrow from other nations. Repudiation destroys confidence which is the basis of credit.

Of course frequent defaults, even if not within the power of the government to prevent, will prove to the potential investor that sufficient reliance cannot be placed on this country's "ability to pay." Defaults should be few and far between, and should always, at a later date, be entirely rectified in order to justify the purchase of a country's bonds.

3. Economic Status

Just as no investor will buy the bond of a company engaged in an unsound business, so should no investor consider the bonds of an economically unstable nation to be a wise investment.

Some countries, such as the United States, are practically self-sustaining while others are dependent to a small or large extent upon the products of other countries. Certain countries, such as Brazil, produce one commodity in much larger measure than any other. Their success is wrapped up in the future of that commodity. They are one-product countries—and, like one-product businesses, are subject to violent and rapid changes from prosperity to depression. Such countries are scarcely good credit risks. Their bonds can only be classed as speculations.

4. Trade and Currency Situation

Exports are the sales of a country. If sales fall, profits vanish. Debts cannot be discharged. This is a simple explanation of what has recently occurred in the case of several South American republics. Unable to sell their goods and by doing so secure gold with which to pay their debts, Brazil, Chile, Peru, and others have been forced to discontinue payment of interest on their external obligations. A nation must have a favorable trade balance, that is, a surplus of exports over imports, if it is to succeed in meeting its payments in gold. Aside from direct exports, a country secures gold through investment of foreign capital, tourist traffic, etc., which may be as important as the sale of goods abroad.

Currency figures should also be scrutinized by investors in order to determine whether or not inflation is under way. Price movements (retail and wholesale) and fluctuations in foreign exchange rates are a clue to a country's financial position. The soundness of the banking system is an important indication of a country's stability.

5. Financial Position

Under this heading, a nation's balance sheet is studied just as the balance sheet of a company is studied by a banker before he extends a loan. Is income sufficient to cover all expenses? Do assets cover liabilities by a good margin? Is the budget balanced? What percentage of the national budget is represented by debt charges? (If it exceeds 30 per cent the situation requires special investigation). Can taxes be readily increased in an emergency or are they already too heavy a drain upon the national income? These are some of the questions to be asked by the investor when a government requests a loan.

6. Political Stability

This test scarcely requires an explanation. Civil wars, revolutions, and other forms of political instability obviously prevent any country from assuring its creditors that a consistent and sound fiscal policy will be followed. A labor party may be in power, as recently was the case in England, but if radical changes in political ideas are slow to take root and all changes are accomplished without disturbing the smooth progress of affairs, the credit of the country need not suffer.

7. How Loan Is Used

Anyone knows that if an individual has an income of $1,000 and spends $1,200, sooner or later he will become bankrupt. This is just as true of a government. Continuous budget deficits can only end in one way. In spite of this fundamental rule, however, several countries have borrowed money to balance their budgets instead of meeting the problem by cutting expenses or increasing taxes. The party in power has lacked courage and foresight and has delayed the day of reckoning by adding to the national debt. Needless to say, loans of this kind should not be purchased by investors except under unusual circumstances.

The proceeds of a foreign loan should be used for some productive purpose. If a country requires funds for capital expenditures on roads, bridges, canals, hydro-electric plants, railroads, etc., which will increase the national wealth and the national income, a foreign loan is quite legitimate, and if the other factors are favorable, is likely to prove a splendid investment for the purchaser.

Government bonds as a class are considered to be the safest investment in the world. A government has unusual powers and despite periodic times of economic pressure, war or pestilence, it rarely fails to survive in one form or another A corporation may become insolvent and disappear, its creditors having no further redress. A government, on the other hand, almost invariably "stays in business." Permanent losses to creditors are therefore rare. At the present time it is estimated that less than 1½ per cent of all government loans (excluding Russia) are in default.

Nevertheless, the experience of investors in this country has been such that no further funds will be placed in foreign bonds until the status of those issues now held here shows a vast improvement and until sounder methods of financing are followed by the bankers handling the loans. One of the main purposes of this discussion of a vital topic is to throw light on the problem of foreign issues so that investors may themselves have some idea of the risks to be encountered when sending money away from home.

In the succeeding article the tests referred to above will be applied to the bonds of European countries, including France, Germany, Italy, and other important borrowing nations.

In the Mail

The Chignecto Canal

Editor, The Financial Post:

Your editorial of the 14th instant seems to follow the spirit that prevails in the press of Upper Canada to some extent, and especially so with The Financial Post.

Just why you good people should feel called upon to oppose a project of this kind that ninety-eight per cent of the municipalities and individuals of the Maritime Provinces have been asking for the last one hundred and fifty years is best known to yourselves.

Here is what you say, "It is probable that it would not even be seriously considered now were it not for the desire of the present Government to do something more for the Maritime Provinces." This appears rather as a reflection on governments, their expenditure usually has some mark of merit, and the Chignecto Canal is no exception, "The Post" to the contrary notwithstanding.

For more than one hundred years the people of these provinces have been endeavoring to make connection with the Northumberland Strait and Bay of Fundy for the purpose of shortening the distance from Montreal, all the way down the river and Gulf of St. Lawrence, east coast of New Brunswick, P. E. Island, and Cape Breton, to Bay of Fundy, and as far west and south as New York, not for the purpose of pleasing a people, but to stimulate a trade that has existed for centuries and is only waiting for a shorter and consequently cheaper route to grow extensively.

Why you should pick out Pictou to prove your argument and leave all of the rest of the Maritime Provinces—excepting Halifax, which you probably overlooked,—favoring the project, without any comment is hard to understand.

Had you followed evidence taken by the commission all the way through you would have learned that it was overwhelmingly in favor of building the canal.

Canals have been with us from time immemorial and are among the greatest assets the world owns, even the Panama, that cost over $100,000,000 and was looked upon as a financial calamity, is paying its way and a small return on investment, fourteen ships a day passing through last spring when I was there.

J. C. MASTERS.
Moncton, N.B., Nov. 19, 1931.

Editor's Note: The Financial Post is glad to publish Mr. Masters' letter. The Post is always glad to publish any representative viewpoint. It might be interesting to Mr. Masters to know that The Post has received several letters from influential Maritime Province business men in opposition to the Chignecto Canal project.

Complains of Express Rates

Editor, The Financial Post:

We wish to bring to your attention an unfair discrimination in express rates between Western Ontario points and Eastern Ontario points, and compared to express rates from Toronto and Hamilton to Eastern Ontario points.

Recently the express companies reduced the express rates in Ontario to meet truck competition, without any regard whatever, however, to any equable rate. As an outstanding example, we might point out that the rate from Western Ontario points to Ottawa for example is now $1.60 per cwt. The express rate from Toronto or Hamilton to Ottawa is 65c. per cwt. The rate from a Western Ontario point to Toronto is 45c. Therefore, the combination of the two local rates is only $1.10, whereas the through rate is $1.60.

The express companies have declared that this cannot be changed, because the rate from Toronto to Eastern Ontario points had to be reduced to meet truck competition, but as there is no truck competition between Western Ontario points and Eastern Ontario points, there is no necessity to reduce these rates.

However, the express companies have overlooked the fact that this discrimination will have a serious effect on the shippers, who ship goods by express from Western Ontario points to Eastern Ontario points, as compared to the shippers who ship these goods from Toronto or Hamilton.

It is such unfair rates of this kind that is winning friends for the transport companies. If the express companies are going to meet rates and give service, only to beat out their competitor, the transport companies, without any regard to their own shippers, then they will do more harm than good.

As long as the express companies' attitude is going to be to "put the competitors out of business" (instead of giving the shippers improved service) they will never correct or improve the situation.

Kitchener, Nov. 25, 1931. MANUFACTURER.

BAY ROUTE WILL BENEFIT EAST TOO

In Interchange of Domestic Products, Says Weir

Government plans to connect eastern and western Canada by means of a cheap water route via Churchill and Hudson Bay, and the mutual exchange of products thereby will have advantages for farmers in both sections of the Dominion, declared Hon. Robert Weir, minister of agriculture, speaking in Toronto recently.

The plan, which would become operative next year, he said, by providing for the direct shipment of cattle and grain to Great Britain and coarse grains to the maritimes, would prove a big saving to farmers on shrinkage, shipping charges and other overhead.

Arrangements have been made with the railroads, he continued, to have feeders and stock brought from the west to the east for feeding and export. These will be shipped from the eastern feed lots to the ocean ports at 50 per cent of the regular freight rates.

B. C. Fishermen Ask Govt. to Lift Export Embargo

When British Columbia fishermen recently made representations to the deputy minister of fisheries of the province, asking that the embargo against the export of sock-eye salmon be lifted, it was stated that U. S. canners are willing to pay considerably more for sock-eye than Canadian canners.

In reply to a question from the minister as to what the position of Canadian canners would be if they could not be sure of a supply of fish one delegate stated that canners were carrying too much equipment and that the number of plants could be reduced considerably. He added that the fishermen were paying for the dividends on this heavy overhead.

New Postage Stamp Issue by Newfoundland, Jan. 2

A new issue of Newfoundland postage stamps, comprising fourteen denominations of different designs, will be available on January 2, 1932. A feature of the new issue will be the reproduction of a portrait of Princess Elizabeth, which will appear on a stamp for the first time.

The new stamps will include the following: 1 cent, green, showing a heap of fish lying in a pond; 2c, rose, a new portrait of H. M. King George V.; 3c, brown-orange, a new portrait of the Queen; 4c, red-violet a portrait of H. R. H. the Prince of Wales; 5c, violet-brown, caribou, drawn from the famous photograph of the Monarch of the Sopsails; 6c, dark blue, a portrait of H. R. H. Princess Elizabeth; 10c, orange, picturing a salmon; 14c, black, showing a Newfoundland dog; 15c, ultramarine, a baby white-coat; 20c, myrtle green, view of Cape Race; 25c, vermillion, sealing steamers leaving St. John's; 30c, magenta, fishing fleet leaving for the Grand Banks.

Neon Products, Western, To Pay Common Dividend

Neon Products of Western Canada, Ltd., will pay a special dividend of 25 cents per share on the 54,836 no par value common shares outstanding on December 21 to shareholders of record December 5. This payment is similar to the one made in 1930. The common shares are not as yet on a fixed dividend rate.

W. C. Woodward has been appointed vice-president of the company in place of G. H. V. Burroughs while Mr. Burroughs' place on the directorate is taken by Lawrence Smith.

Manitoba Telephones Show Small Surplus

The Manitoba Telephone System showed a surplus of $4,813 for the 11 months ended October 31, 1931, according to recent report. Revenues of the system for that period amounted to $3,287,627 as compared with $3,577,061 in the same period of 1930 while expenditures were $1,552,402 as against $1,657,015 in 1930.

Subscribers' stations numbered 70,767 at the end of October, a decrease of 4,644 from the number reported at October 31, 1930. Fixed charges of the system, including plant replacement and interest amounted to $1,664,411 for the 11 months, against $1,673,856 for the same period a year ago.

Predicts Fisheries for Hudson's Bay

The creation soon of a profitable fishing industry in Hudson Bay is predicted in the report recently made to Ottawa by John Ingebrightson after conducting trial fisheries this summer in a 35-foot fishing smack with seven men. In his statement the skipper recounts navigation, fishing fields and catches.

HARVESTING WHEAT TO RECEIVE STUDY

National Research Council Say Combine Harvesting Raises Problems

A comprehensive study of the comparative economics of different methods of harvesting grain with a view to determining the resulting moisture content and quality, is to be undertaken by the grain research committee of the National Research Council as the result of a recent meeting of that committee in Winnipeg.

Reviewing the studies already made of the subject, Dr. J. G. Mallock of Edmonton, secretary of the committee, stated that the average moisture content of grain harvested by the binder method was 30 per cent and that, to prevent heating, harvesting by the combine method should be delayed from seven to twenty-one days.

One difficulty, pointed out by another member of the committee, was to judge whether or not grain is ready for the combine method. Grain may look fully matured and ready to cut, yet have a moisture content of 30 per cent or more. An instance was cited of "Combined" grain received at a country elevator, apparently "dry," which graded "rejected mixed heated."

Representatives of the Northwest Grain Dealers' Association were of the opinion that even if "combined" grain had a moisture content of as low as 14.4 per cent, the figure generally accepted as safe for storage, it was "apt to play tricks." The amount of heated wheat since the introduction of the combine harvester was very pronounced.

MINES

THE FINANCIAL POST SURVEY OF MINES is the only complete record of mining activity in Canada available in permanent form. It is a vivid compilation of facts relating not only to the industry in a broad sense, but to the various companies that together form that industry.

It is a reference volume for everyone interested in the great and growing mining industry, whether as an operator, mine executive, financier or investor.

Issue limited. To ensure receiving copy please order at once. Price $2.00.

EDITORIAL INDEX

Chapter I .... Canadian Mining
General review of 1930 production with statistical tables of growth of Canadian mining output, metal prices and list of companies producing .... Pages 29-31
Chapter II .... Alberta
Review of developments .... Page 37
Reviews of Alberta companies 37-39
Production statistics 37
Chapter III .... British Columbia
Review of developments .... Page 41
Reviews of British Columbia companies 43
Production statistics 41
Chapter IV .... Manitoba
Review of developments .... Page 75
Reviews of Manitoba companies 76-81
Production statistics 75
Chapter V .... New Brunswick
Review of developments .... Page 83
Reviews of New Brunswick companies 83
Production statistics 83
Chapter VI .... Nova Scotia
Review of developments .... Page 85
Reviews of Nova Scotia companies 86-89
Production statistics 85
Chapter VII .... Ontario
Review of developments .... Pages 91-92
Reviews of Ontario companies 93-143
Production statistics 91
Chapter VIII .... Quebec
Review of developments .... Page 145
Reviews of Quebec companies 146-159
Production statistics 145
Chapter IX .... Saskatchewan
Review of developments .... Page 160
Reviews of Saskatchewan companies 160
Production statistics 160
Chapter X .... Yukon and Northwest Territories
Review of developments .... Page 161
Reviews of Yukon and Northwest Territories companies 161-162
Chapter XI .... Outside Companies
Reviews of outside companies .... Pages 163-167
Chapter XII .... Newfoundland
Review of developments .... Page 169
Reviews of Newfoundland companies and properties 170-174
Chapter XIII .... New Incorporations
Companies recently obtaining charters .. Page 175
Chapter XIV .... Directory
List of mining engineers, mine managers and geologists .... Pages 177-189
Advertisers' Index 191

THE FINANCIAL POST,
153 University Ave., Toronto.
I enclose $2.00. Please send me postpaid a copy of The Financial Post Survey of Mines, 1931.
Name ....
Address ....
379

Return of the Chartered Banks of the Dominion of Canada, October 31, 1931

LIABILITIES

NAME OF BANK	Notes in Circulation	Balances Due to Dominion Government	Advances under Finance Act	Balances Due to Provincial Governments	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere	Bal. due to other banks in Canada
	$	$	$	$	$	$	$	$
Montreal	38,028,370	14,054,748	....	10,373,257	156,776,022	409,164,099	66,494,930	1,739,226
Nova Scotia	13,665,845	2,806,662	....	1,026,496	83,119,731	135,540,776	30,576,884	1,534,625
Toronto	7,076,144	1,308,860	....	914,457	26,067,040	68,028,247	....	228,650
Provinciale	4,220,144	888,630	....	28,324	4,871,745	35,712,685	....	700
Commerce	27,717,463	6,114,976	5,000,000	4,362,280	128,862,111	291,362,079	41,052,786	1,370,830
Royal	35,299,138	8,858,372	15,000,000	4,485,337	149,659,525	289,181,168	160,574,981	1,126,571
Dominion	6,832,453	1,557,274	....	560,964	31,234,878	67,576,602	1,961,905	349,943
Nationale	10,850,904	1,763,317	4,500,000	1,908,077	19,561,874	90,228,332	1,228,686	1,052,257
Imperial	8,943,625	2,311,914	....	2,130,308	29,708,076	74,629,463	60,519	2,704,253
Barclays (Canada)	294,580	129,718	....	....	731,698	884,650	....	115,755
Total	152,928,936	39,794,471	24,500,000	25,789,500	580,592,700	1,462,308,101	301,950,691	10,222,810

NAME OF BANK	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up
	$	$	$	$	$	$	$	$
Montreal	1,028,719	9,416,246	220,119	8,943,524	2,091,463	1,089,177	38,000,000	36,000,000
Nova Scotia	40,835	2,463,357	245,954	4,644,005	135,171	11,912	24,000,000	12,000,000
Toronto	189,063	1,288,103	....	1,001,157	101,918	1,317	9,000,000	6,000,000
Provinciale	....	26,287	....	16,154	35,647	5,050	1,500,000	4,000,000
Commerce	873,286	22,277,395	306,943	14,521,288	....	10,462	30,000,000	30,000,000
Royal	262,661	17,082,481	3,701,243	30,239,344	47,122	13,393	35,000,000	35,000,000
Dominion	205,645	1,015,970	2,225	1,269,287	354,530	3,048	9,000,000	7,000,000
Nationale	35,961	396,842	....	406,394	....	2,890	7,000,000	7,000,000
Imperial	173,197	1,906,590	....	636,083	....	210,682	8,000,000	7,000,000
Barclays (Canada)	1,126,098	921,766	....	101,371	20	....	500,000	500,000
Total	3,935,465	56,795,040	4,476,484	61,778,607	2,765,871	1,347,931	162,000,000	144,500,000

NAME OF BANK	Total Liabilities	Capital Authorised	Capital Subscribed	% Last dividend	*Loans to Directors, and firms of which they are partners	Average gold and Coin Held	Average Dominion Notes Held	Greatest amount of notes in Circ.
	$	$	$	%	$	$	$	$
Montreal	793,419,907	50,000,000	36,000,000	12	3,691,831	26,824,038	52,738,449	38,777,415
Nova Scotia	261,812,259	15,000,000	12,000,000	16	2,789,371	9,279,641	7,738,437	13,737,903
Toronto	121,204,962	10,000,000	6,000,000	12	1,649,666	354,351	6,137,940	7,076,144
Provinciale	51,305,641	5,000,000	4,000,000	9	640,590	251,739	403,022	4,296,002
Commerce	603,831,904	50,000,000	30,000,000	12	8,400,492	17,845,000	13,801,000	28,560,706
Royal	785,531,343	50,000,000	35,000,000	12	3,657,111	13,159,273	9,182,915	35,828,524
Dominion	128,924,730	10,000,000	7,000,000	12	1,589,471	994,000	3,665,000	7,103,223
Nationale	145,935,537	10,000,000	7,000,000	10	718,815	949,752	1,550,039	10,850,904
Imperial	138,414,713	10,000,000	7,000,000	12	258,597	448,174	5,015,984	9,340,635
Barclays (Canada)	5,305,658	500,000	500,000	......	....	13,880	18,490	299,280
Total	3,035,686,654	210,500,000	144,500,000	......	23,395,944	70,119,848	100,251,276	155,810,736

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from other banks in Canada	Due from banks in U.K.	Due from banks elsewhere	Government securities
	$	$	$	$	$	$	$	$	$
Montreal*	27,750,309	47,875,605	3,418,407	281,667	32,094,436	200	2,183,386	20,086,725	169,089,426
Nova Scotia	9,167,618	5,767,688	1,099,501	1,683,278	9,330,258	....	721,907	8,193,439	41,415,018
Toronto	342,506	6,534,658	614,095	22,519	5,354,454	....	295,039	1,329,138	25,246,609
Provinciale	241,056	413,499	498,660	24,939	1,784,807	1,108,297	6,062	145,418	8,811,018
Commerce†	17,363,009	17,121,739	2,239,315	1,053,830	20,897,618	68,772	427,178	26,733,741	103,141,024
Royal‡	12,766,870	20,261,267	3,169,126	11,417,489	21,149,963	1,090	1,808,787	29,279,638	74,167,326
Dominion	994,421	3,175,308	861,450	47,405	4,667,509	....	155,230	1,125,612	20,643,169
Nationale§	893,627	1,569,802	783,595	78,212	4,494,952	197,107	42,890	1,242,764	23,368,149
Imperial	415,324	9,037,769	620,320	22,469	5,826,160	606,787	307,483	2,240,520	21,400,642
Barclays (Canada)	14,855	102,647	13,020	1,785	455,028	803,511	6,797	722,315	626,160
Total	69,949,595	111,859,982	13,317,989	14,633,593	106,055,185	2,785,764	5,954,759	91,099,310	487,908,541

NAME OF BANK	Canadian municipal British and foreign securities	Railway and other bonds and Stocks	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current Loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans
	$	$	$	$	$	$	$	$	$
Montreal*	58,034,199	11,095,421	9,243,921	28,252,802	277,894,126	23,002,009	13,217,442	31,320,743	3,090,826
Nova Scotia	16,062,162	10,515,561	23,797,432	3,845,009	87,376,342	14,362,662	836,229	9,721,106	952,698
Toronto	7,495,576	2,610,315	6,997,989	....	54,334,546	....	....	4,963,776	350,399
Provinciale	4,832,665	3,862,825	5,994,779	....	18,929,043	....	....	1,542,826	155,669
Commerce†	19,927,622	11,615,716	40,360,715	21,039,801	211,084,636	24,109,487	10,188,737	30,631,102	2,784,843
Royal‡	35,025,188	12,909,769	42,551,627	36,057,253	295,737,612	125,854,146	3,773,618	13,286,564	2,997,384
Dominion	4,782,625	2,897,680	11,827,510	1,549,258	65,167,287	1,544,734	....	1,860,148	387,573
Nationale§	6,751,416	3,341,200	10,163,412	....	62,908,132	69,639	8,204,170	12,080,045	185,721
Imperial	5,534,940	179,877	7,543,745	....	65,108,364	....	2,123,636	8,529,973	238,177
Barclays (Canada)	127,438	9,950	101,800	....	2,193,941	....	....	....	....
Total	148,573,831	59,038,314	158,582,930	90,743,623	1,140,734,029	188,942,677	38,343,852	113,836,283	11,143,290

NAME OF BANK	Real estate other than premises	Mortgages on real estate	Bank Premises	Letters of Credit	Deposit for note circulation	In central gold reserves	Shares of and loans to controlled companies	Other assets	Total assets
	$	$	$	$	$	$	$	$	$
Montreal*	390,886	1,344,579	14,500,000	8,943,524	1,692,109	8,000,000	1,573,505	147,072	794,523,333
Nova Scotia	....	117,969	8,334,985	4,644,005	561,885	2,000,000	2,697,098	105,306	263,309,164
Toronto	....	40,699	3,726,996	1,001,157	297,673	1,130,866	....	....	122,689,016
Provinciale	454,053	501,471	2,208,921	16,154	198,500	....	....	218,372	51,949,645
Commerce†	2,132,765	2,137,976	15,288,017	14,521,288	1,250,000	8,000,000	3,955,158	361,874	608,435,497
Royal‡	2,222,367	958,074	17,237,634	30,239,344	1,700,000	3,000,000	6,242,899	487,977	794,303,051
Dominion	50,045	15,641	6,086,150	1,269,287	330,000	200,000	....	301,947	129,940,001
Nationale§	851,443	730,035	5,864,009	406,394	355,283	3,000,000	....	97,577	147,679,593
Imperial	169,562	500,776	6,300,000	636,083	417,935	1,400,000	....	115,570	139,176,621
Barclays (Canada)	....	....	....	101,371	11,424	....	....	....	5,292,049
Total	6,271,121	6,347,220	79,546,742	61,778,607	6,814,809	26,730,866	14,468,660	1,835,695	3,057,297,380

Column No. 26. Of this deposit $11,030,866 is in gold coin; the balance is in Dominion notes.
*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.
†The figures of The Canadian Bank of Commerce (California) are incorporated in the above statement.—Footnote to Canadian Bank of Commerce return.
‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.
§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return.—Footnote to Banque Canadienne Nationale return.

Canadian Mining News

COPPER MEETING FAILED TO AGREE ON CURTAILMENT

Negotiations Still Pending to Bring Producers in Line

TARIFF SOUGHT

Canadian Producers Independent of Whatever Action Taken to Effect Remedy

As yet there is no evidence that the conference of the world copper producers, held in New York last month, met with a curtailment programme acceptable to all. The conference broke up with the representatives of the Belgian-Congo producers sailing for home, refusing to agree to further curtailment.

At the present time there is evidence that the Belgian producers, upon reaching Brussels, gave further consideration to the subject and are now willing to negotiate with the United States producers toward tuning production more nearly in line with consumption.

Nothing final has been announced, but many of the copper producers believe that Belgian-Congo interests have not said their last word on the subject. The recent withdrawal of the Phelps Dodge Corp. from the Copper Export Association and the fear that United States and Great Britain might put a tariff on the metal is said to have been the cause of further consideration on the part of the Belgian-Congo producers.

Tariff Considered

The plan originally outlined at the conference called for a restriction of producers to 25 per cent of the maximum capacity. The maximum capacity of the Belgian-Congo producers, however, was to be based on its potential capacity rather than the actual one at present, and it is this factor, it is understood, that introduced complications when seeking a basis for curtailed capacity.

There can be no doubt that the potential production from the Belgian-Congo and Northern Rhodesia is a matter of serious concern for United States producers. It is considered possible that the copper output of Africa by 1940 will be greater than that of the entire United States.

The two leading Canadian copper producers, International Nickel and Noranda, are both in a happy position so far as production is concerned, as they are among the two lowest copper producers in the world, owing to the value of their associated metals, nickel and gold.

If United States put a duty on copper it would have no disastrous effect on these two Canadian producers, since each has its own electrolytic copper refinery, and is able to produce the refined product ready for the world markets, and be independent of United States. Until last year this was not possible as there were no copper refineries operating in Canada. Such an action by the United States, however, would doubtless bring a retaliatory measure by Great Britain and if this happens Great Britain would doubtless include copper in its preferential tariff to Canada. Such an action would work out to the distinct advantage of Canada and would provide a desirable British market for the Canadian copper producers to the exclusion of the American copper producers.

While such a preference would doubtless also be extended to the Northern Rhodesian producers the fact that they are not yet producing electrolytic copper would not enable them to immediately take advantage, to the fullest extent, of such an opportunity. Furthermore, since South Africa is strictly on the gold standard, the depreciated currency of Canada would give a tremendous advantage to Canadian producers in entering the British market.

Whatever may be the action of the American producers, the ultimate outcome cannot seriously affect Canadian production as the two leading producers are now quite independent through having their own electrolytic refineries and able to offer a refined product in the world's market.

Tariff Advantage Taken

At the present time there is a tariff of one-and-a-half cents per pound on electrolytic copper from the United States, except copper wire bars used for rolling copper wire. The base price of electrolytic copper in New York is currently around 6¾ cents per pound. The Canadian producers are able to secure approximately 8¾ cents per pound for their product in the Canadian market, which price represents the American price plus the one-and-a-half cents per pound duty plus exchange and freight. The Canadian price is generally fixed by negotiation at slightly under the cost of the imported metal.

In the case of copper wire bars used for rolling copper wire, there is no protective tariff and the Canadian producer must compete with the American product and sell at a competitive price.

Sullivan Gold Plans to Form New Company

Shareholders of Sullivan Gold Mines are in receipt of official notice calling a meeting to be held in Montreal on December 12, to approve of a reorganization of the company.

It is proposed to sell the company's assets to a new company to be formed with a capital of $4,000,000 in $1 par value shares. The present company, in consideration of the transfer of its assets to the new company, will be given $2,005,000 of the authorized capitalization, of which $5,000 will be in cash and the balance of 2,000,000 fully paid shares in the new company.

Sullivan Gold Mines was incorporated with a Quebec charter in 1928 to develop a gold prospect consisting of 412 acres on the shore of Lake Kienawasik, in Dubuisson township, 43 miles south of Amos, P.Q. In midsummer, 1931, it had 2,090,000 shares of $1 par value outstanding.

The property has been developed through a shaft sunk to a depth of 275 ft. with levels established at 150 and 250 ft. In addition, over 8,000 ft. of diamond drilling has been done. Twelve gold-bearing veins have been encountered and it is estimated by officials that there are 100,000 tons of ore, averaging $10 per ton in gold, above the 250 ft. level.

Early this year arrangements were made with Montreal brokers to finance further development, but sufficient funds were not forthcoming to complete the company's programme. This has necessitated a reorganization.

Falconbridge Has 1932 Production Contracted

Slow Sales in Europe Prompts Invasion of U. S. Markets With Gratifying Results—Company's Position Liquid

Contracts have been made with United States firms which will take the entire production of nickel from the Falconbridge Nickel Mines during 1932, J. Gordon Hardy, vice-president of the company, told The Financial Post this week. At the present time, sales of refined nickel averaged about 55 per cent of production, and there is currently approximately 1,360 metric tons of refined nickel on hand at the company's refinery at Kristiansand, Norway.

Despite the fact that the company has not sold all of its nickel, operations have been conducted without incurring obligations or securing loans against the company's refined stock. All the company's copper production is sold on the London Metal Exchange as produced and none is being carried in stock.

European Sales Dull

The upset of industrial business in Europe has had its effect on the company's foreign nickel sales and it was decided that the company would invade the United States market to offset this condition.

With the company's working capital totalling $937,211 on December 31, last, it was expected that the curtailed nickel sales would have meant the exhaustion of its liquid assets. Such has not been the case, however, and while the working capital is reduced somewhat, the outlook for sales in 1932, owing to the contracts made with United States consumers, is regarded as gratifying.

Since the product of the company's smelter at Sudbury is copper-nickel matte, which is sent to Norway for refining, it means double ocean transportation to supply the United States market. Originally it was planned that the company's production would be marketed entirely in Europe.

In the first nine months of the current year 81,580 tons of ore were treated, which produced 6,120,899 pounds of nickel-copper matte. This matte contained 4,014,126 pounds of nickel which, at 30 cents per pound, would have a value of $1,204,327. In addition, there were 1,514,985 pounds of copper, which at seven cents per pound would have a value of $106,048. From these figures it is evident that the value of the production for the first nine months of the current year was approximately $1,310,000, or at the rate of $1,750,000 annually.

PREMIUM ON GOLD STIRS PRODUCERS TO MILL RICH ORE

High Exchange Speeds Production to Higher Levels

With the premium on United States funds touching a new high of 20 per cent there is evidence that several of the gold producers are bending every effort to take full advantage of a premium being paid on production by treating higher grade ore.

Reports are current that Lake Shore Mines will show an unprecedented production in December and it is explained that this production is due to the decision of the company to cash in on some high grade ore and thereby take the greatest advantage of the present premium on production.

It is well known that Lake Shore, like other properties, has some high grade ore. It is not ordinarily the best mining practice to maintain unsually high millheads. Treating unusually very high grade ore invariably lets the tailings loss get out of control.

At the present time it is understood that little consideration is being given to the tailings loss and that some of the mines are making special provision for impounding the tailings for treatment later. It is realized that by treating the higher grade ore this tailings loss is going to mount, but the impetus being given to production through the premium more than offsets the tailings loss.

From reports current, it is estimated that the value of Lake Shore's production during December will be close to $1,400,000.

WORLD PRODUCERS HAVE NOW FORMED ALUMINUM CARTEL

Canada Now World's Second Greatest Aluminum Producer

An International aluminum cartel, known as the Alliance Aluminum Co., with a capitalization of 35,000,000 Swiss francs has been formed, which includes the British, French, German, Swiss, Canadian and Norwegian producers.

The headquarters of the cartel are at Basle, Switzerland. It has as its object the alignment of the various producers that the development and extension of the aluminum industry may be carried out in harmony.

Canada is the second most important aluminum producing country of the world due principally to the establishment of the immense enterprise of the Aluminum Co. of America at Arvida, Quebec. United States is currently the world's leading producer. At the present time Canada produces about 36,000 metric tons of aluminum out of the world's total production of 270,000 tons. Bauxite, an ore of aluminum, is imported from British Guiana. Cheap electric power is one of the chief essentials in the production of aluminum, and the bauxite is shipped direct to the company's plant, where hydro-electric power is supplied from the company's own development at Chute-à-Caron on the Saguenay River.

The Aluminum Corp. of America, which controls the Canadian company, is the dominant company in the world aluminum picture. It is controlled by the Davis and Mellon families, of Pittsburgh.

B.C. to Cancel Coal Reserves Next Session

New legislation respecting the present blanket reserves on oil and coal lands will be introduced by the Government of British Columbia at its next session, according to Hon. N. S. Lougheed, minister of lands. By restricting staking and filing to smaller blocks of land, it is hoped to prevent large companies from acquiring a virtual monopoly over large areas, which, it is said, causes the development of existing reserves to be held up; thus depriving the government of larger revenues.

It is claimed that the government's past policy has resulted in large areas being blanketed, which tends to retard development. Mr. Lougheed explained that the new regulations on this subject were to be introduced at the next session of the legislature in conformity with similar legislation in other Western provinces. If no reserves were created, he said, one or two companies could easily gain control of the whole of large areas and the people's right to secure their share for prospecting would be lost. The government, he added, was anxious that there should be free competition among all interested companies with the public interest protected.

GIANT JUNKERS AIR FREIGHTER NOW IN SERVICE

Canadian Airways Inaugurates Super Service in Canada's Hinterland

Air transportation in Canada was augmented this week by a $75,000 flying freighter which is designed to make history in serving Canada's hinterland.

To take care of the increasing demand for air service Canadian Airways Ltd., took delivery on December 4, of a Junkers, type, JU-52 airplane specially designed for handling freight and that is the largest of its kind in existence. It is the largest single engine aircraft ever constructed. It is also the world's largest in respect to pre-determined pay load over long distances without re-fueling. This airplane was designed and constructed by the Junkers Co., of Dessau, Germany, which has been a pioneer and leader in making airplanes for freight carrying. The machine was designed primarily for handling freight, but can be converted to accommodate passengers. It was especially designed to meet the needs of freight transportation flying over long distances with improvised landing facilities.

The ship is truly a mammoth of the air. Its wing spread is 96 ft. 8 in. and its length is 60 ft. 7 in., while its weight, fully loaded, is 15,840 pounds. It is capable of carrying a pay load of 5,845 pounds with fuel for 500 miles. This load, however, is inversely proportional to the flying distance and with a load of 882 pounds the plane is capable of covering a distance of 2,173 miles. The normal cruising speed is 100 miles per hour with a maximum of 117½ miles per hour and a landing speed of 47 miles per hour.

Reach Any Part of North

The fuel range of this new freighter is such that a pay load of two tons may be deposited anywhere in Northern Canada in one trip from established lines of communication without having recourse to a gas cache for re-fueling purposes.

The cabin of the machine is especially designed to facilitate loading with heavy or bulky parts of merchandise. This cabin is 21 ft. in length by 5 ft. 6 in. in width and is provided with an overhead hatchway 6 ft. by 3 ft., while the side door is approximately 6 ft. by 4 ft.

This mammoth freighter was not purchased for any specific service, but will serve remote sections of Canada from Quebec to British Columbia, wherever there is a demand for heavy cargo transportation to remote areas.

For a machine of such proportions one is impressed with its simplicity and beauty of outline. The entire construction is of metal with the exception of the giant four-bladed propeller. The wing and fuselage covering are of corrugated aluminum alloy.

NORANDA MINES DECLARE 50 CENT INTERIM DIVIDEND

Payment to Be Made on December 29, in U. S. Funds

Directors of Noranda Mines have announced the payment of an interim dividend of 50 cents per share, in United States funds, on December 29, to shareholders of record on December 15.

This is the first dividend disbursement made by the company this year. An initial dividend of 75 cents per share was paid in January, 1930, followed by a similar disbursement in April. In July the rate was reduced to 50 cents and in October a similar disbursement was made, but the payment normally due in January of the current year was passed. Altogether the company has paid $5,559,430 in the four dividends disbursed.

It has been the policy of the company during the current year to conserve its cash owing to the uncertain trend of copper prices. Although the price of the metal has been steadily declining, the nine months earnings of the company were equivalent to $1.07 per share for the period ended September 30, last, which is equal to an annual rate of about $1.43 per share.

Noranda is one of the very few copper producers which have been able to report a profit under prevailing conditions. This is due to the high gold recovery being made, which currently has a value in excess of copper production. While the first nine months of the current year witnessed higher copper prices than those prevailing at the present time, the last three months of the current year promise to show earnings equally good, if not better, than in the previous period. This is due to the premium being paid on the gold production, which more than offsets the decline in copper prices.

As at December 31, 1930, the company had liquid assets amounting to $6,134,082. Since that time it has made commitments in affiliated companies, but its profits for the current year are commonly regarded as having bolstered the company's liquid position to well in excess of that shown on December 31, last.

The dividend payment on December 29, next, will mean the distribution of $1,119,886.

GOLD RESERVE OF B. C. MINES IS $30,000,000

J. D. Galloway, Provincial Mineralogist, Estimates Possible Ore

Reasonably indicated and positive ore of the British Columbia gold mines, not including prospects or semi-developed properties, was estimated at $30,000,000 by J. D. Galloway, provincial mineralogist of British Columbia, at the annual Western meeting of the Canadian Institute of Mining & Metallurgy in Vancouver, last month. "Renewed interest in gold mining promises greater annual output of this metal in the next few years," said Mr. Galloway.

"Admitting that the figure of $30,000,000 for gold reserves involved estimates and guesses, he estimated 800,000 ounces of reasonably indicated gold reserves and a further 700,000 ounces of possible extension and development of known ore bodies, which at $20 per ounce would have a value of $30,000,000.

"This estimate of $30,000,000 in gold reserves is about eight or nine years supply at present rate of output," stated Mr. Galloway. "It may seem small, but it is possible that this reserve is as large as the province has ever had at any one time. Since 1893, when lode gold output commenced, a production of $148,868,000 in gold has been made." Confidence was also expressed that at the end of eight or nine years another $30,000,000 in gold reserves would be evident. "This estimate," said Mr. Galloway, "is confined solely to the lode gold and does not include placer operations."

Opportunities for Prospectors

"Opportunities await prospectors for scientific prospecting in many British Columbia fields," said Mr. Galloway. "Most productive areas have been the Rossland and Phoenix-Greenwood camp in the international boundary district, the Premier Mines and the Nickelplate Mines. Rossland, Premier and Nickelplate," he explained, "are considered gold mines, whereas the boundary district is essentially a copper camp. The widest distribution of gold, however, is in the quartz vein type and important ones occur such as Ymir, Motherlode and others at Nelson, Fairview and Camp McKinney, the Pioneer, and others at Bridge River."

Mr. Galloway gave detailed information on this year's development in the different mining areas and enumerated his conclusion as follows:

"1. Our probabilities and possibilities of new gold mines are excellent provided the investigation of prospects is tackled in the right way.

"2. Capital is needed which will be willing to finance the exploration of prospects."

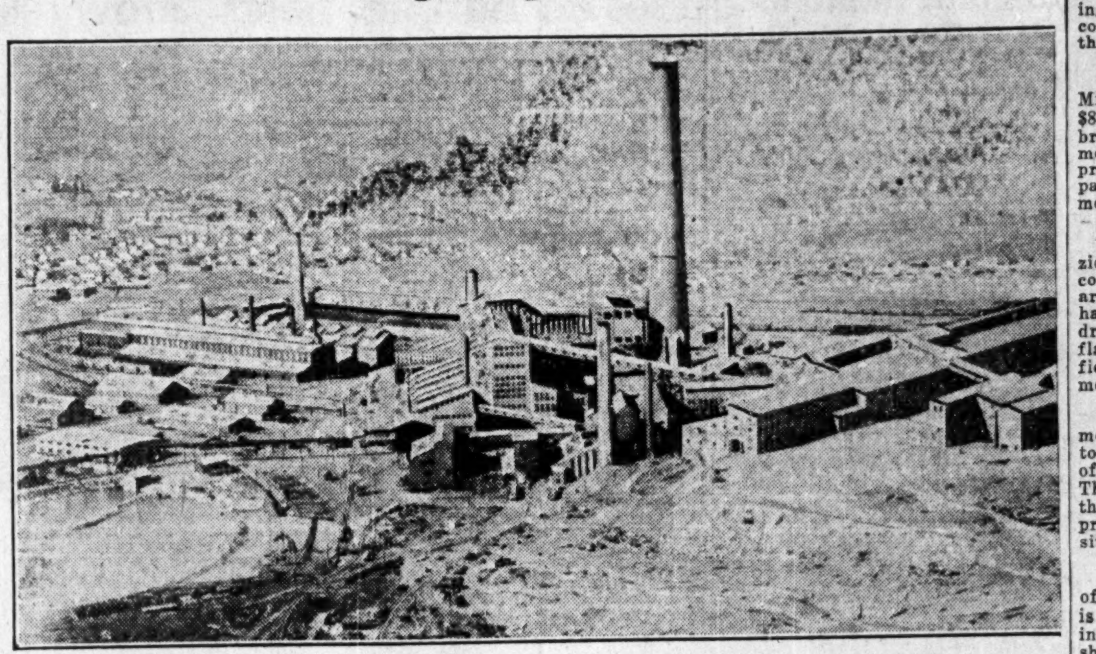
TIME EXTENDED TO ABANA MINES

Mining Corp. Sets Dec. 15, as Last Date to Exchange Stock

Shareholders of Abana Mines are notified by the directors of Mining Corp. of Canada that the time has been extended to December 15 for lodging certificates for exchange of shares.

By the terms offered by Mining Corp. former Abana shareholders were permitted to exchange their shares on the basis of ten old for one new in the newly formed Normetal Mining Corp The last exchange date was December 1, 1931, but because it is believed that a number of Abana shareholders did not receive the official notice, the time has now been extended to December 15. Approximately 54 per cent of all the outstanding Abana stock has already been deposited for exchange.

Nickel's Big Programme Finished



The $50,000,000 expansion programme, which the International Nickel Co. has had under way since 1926, was officially completed on December 7, 1931. The above airplane picture shows the smelter and the site of the primary operations of the company at Copper Cliff, Ont., which have come in for the major part of the expenditure.

International Nickel's $50,000,000 Expansion Programme Is Finished

Work Under Way For Seven Years Ended December 7

SALES INCREASING

With Construction Ended the Company's Cash Position May Be Reduced

International Nickel Co., on December 7, reached another mile post in its history, in that on that date the last man was withdrawn from work on the company's expansion programme, inaugurated seven years ago, and which has involved the expenditure of $50,000,000.

In this period of time the International Nickel Co. has been built up to one of the outstanding mining and metallurgical enterprises of the world. In the seven years it has been under way this programme has seen the company's Frood mine develop into the richest known mineral deposit in the world. It has seen its mining, milling and smelting facilities rehabilitated and expanded to the point where the company is capable of adequately meeting the world's demand for nickel. It has seen the refining and fabricating departments built up to a par with the smelting establishments and it also has seen built up a research and sales organization that has introduced "Nickel's" products to increasingly diversified markets throughout the world.

Nickel Sales Improve

Nickel sales, during the past weeks, have been a source of satisfaction to officials. Booked orders are better than at any time since last May and are in excess of the same period of 1930. R. C. Stanley, president of the company, seen recently in New York, would make no forecast as to the future but was impressed and encouraged that the order book should be in such a relatively healthy state at this period of the year, normally one when buyers are keeping their inventories at the lowest possible point.

Fortified for the Future

The expansion programme has provided for the anticipated demands for the company's products for years to come and will enable it to produce better products at lower costs. The facilities are now such that 90,000 tons of nickel, 120,000 tons of copper, 150,000 ounces of gold, 3,000,000 ounces of silver and 300,000 ounces of metals of the platinum group can be mined, milled and refined.

The primary step toward the establishment of the enterprise as it is today was to explore and develop the Frood mine. The International Nickel Co. and the Mond Nickel Co. owned adjoining properties and the Frood deposit was spread over both the holdings. This indicated that the mine could best be developed by merging the companies. This was done late in 1928. The expansion programme then under way was co-ordinated and consolidated. It centred about the development of the Frood deposit. The wisdom of this merger so far as mining was concerned was confirmed by the developments at depth of Frood. This huge deposit is the world's greatest known nickel-copper deposit and as depth is reached its importance as a copper producer and as the source of metals of the platinum group tends to increase. The ore developed and indicated to date, at this one property, is sufficient to fortify the company with raw metals for more than a century at the normal rate of production.

With the source of mineral wealth almost unlimited, the company was able to expend its milling, smelting, refining and fabricating departments on a scale only limited by the demand it was able to create for its products.

Copper Cliff is Centre

At Copper Cliff, near the site of mining operations, the milling and smelting facilities were rehabilitated and new plants added that now provide for treating 8,000 tons of ore daily, and producing concentrates, that are smelted in a new smelter of 5,000 tons daily capacity. In addition there is the plant of the old Mond Co., at Coniston, with a capacity of 2,000 tons daily. Through a subsidiary interest in the Ontario Refining Co., also at Copper Cliff, the refining of up to 120,000 tons of blister copper is provided for, while at the adjacent plant of the Canadian Industries, Ltd., waste gases from the smelter are utilized to make by-products and to provide a Canadian source for the essential flux in smelting. Thus, now, the operations of the company in the Sudbury area are a well rounded out mining and smelting undertaking of great efficiency.

At Port Colborne, Ont., the nickel refining facilities have been made more efficient and have been expanded on a scale commensurate with smelting facilities. Certain phases of the refining process have been consolidated with the Copper Cliff plant to make for greater efficiency and reduce costs.

English Plants Expanded

In England, the plants of the old Mond Co. have been rehabilitated and refining facilities have been increased at Acton (near London), which makes the plant there the largest plant in the world for refining precious metals of the platinum group. This will enable the company to take care of its increasing production of platinum.

The fabricating plants of the company in the United States have come in for their share of the expansion. This department of the company's operations is now placed, as never before, in a position to meet the diversified and increasing uses of nickel.

Current Production Restricted

Operations in 1930 were the greatest in the history of the company, from the standpoint of tonnage of ore treated and content of nickel and copper contained. During the first nine months of the current year the tonnage of ore smelted has declined 14 per cent below last year's record. At the same time the nickel content of the matte produced has declined about 26 per cent, while the copper content of the matte produced has declined approximately 37 per cent. From these figures it is evident that the company is treating its lower grade ore, particularly ore of lower copper content, at the same time maintaining a higher ratio of nickel production than copper. This is explained by the fact that the nickel content of the company's ore varies but little, whereas the copper content gets progressively richer as depth is attained. Figures given show the 1,200 ft. horizon as containing 1.77 per cent copper and 2.61 per cent nickel while the 2,800 ft. level shows 12.14 per cent copper and 2.66 per cent nickel. These figures apply to the Frood mine which is the principal source of ore at the present time.

Mr. Stanley said to The Financial Post that while different plants were operating at different capacities, a weighted average throughout the whole organization would show that they were running about 30 per cent of the capacity, which is about the rate that has been run throughout the past year. Recently a further curtailment in mining operations was put into force at the Frood mine in order to place the mining operations more in tune with the sales and other departments. Inventories at the present time are but slightly in excess of those shown at the end of the quarterly periods during the past year.

Dividend Continued

With earnings in the last quarter down to one cent per share for the common stock some anxiety was expressed by many shareholders lest the dividends should be passed entirely. The view taken by the officials of the company was that it was their desire that the dividends be maintained even at a low rate, in order that the company could maintain its contact with the shareholders. Also to be considered were the wishes of such organizations as trust companies, insurance companies and companies demanding a long-term dividend record for their securities.

The declaring of the last dividend, which was on a basis of five cents per common share quarterly, was deferred pending complete information and a survey of conditions as to the immediate outlook for the future. The fact that the cash position of the company had been reduced and that the working capital on September 30, was about $3,000,000, did not truly represent the company's position, since capital expenditures made this year have been close to $5,000,000. The steady decline of the working capital in preceding quarters was, therefore, not alone due to the payment of dividends in excess of earnings but to unfinished construction. On the other hand, the property account did not truly reflect this $5,000,000 capital expenditure owing to write-offs for amortization.

Few Out of Work

While it has been necessary to reduce the number employed, the principal reduction has come from the completion of the expansion programme. By staggering employment as far as possible the company has been able to give all of its workmen some income. Furthermore, there have been no cuts in wages in recent years and it is the officials' desire that the present rate be continued as long as possible owing to the shortening of the working hours.

Research Department Active

Now that the consumption of nickel is being restricted in normal industrial channels, the research department of the company is more active than ever in the creation of new uses for the metal. That this department is meeting with success is evidenced everywhere by the new uses to which nickel and its alloys are being put. This increased diversification can only have one result, given a return of increased industrial activity, and that is increased earnings in a direct ratio to increased industrial prosperity.

Aldermac's New Mill To Start December 20

On December 20, the new mill of Aldermac Mines will start operation, inaugurating a new industry in northwestern Quebec.

The new plant will have a capacity of 500 tons of ore daily, producing iron pyrites and copper concentrate containing gold and silver. The iron pyrites will be sold to the Sulphide Research Corp., an allied company, which has developed a burning process for making sulphur dioxide gas from which sulphuric acid is made. The paper mills are potential users of the process and already considerable progress has been made toward displacing the use of imported sulphur for making acid.

Tailings

Hollinger is currently treating around 5,000 tons of ore daily, averaging about $7. Owing to the mild weather considerable ore has been drawn from the surface workings. The number of men currently employed is about 2,600

* * *

Reports from Dawson, Yukon Territory, say that dredging operations were still under way at the latter end of October. Production from the placer operations was greater than in any period during the past five years.

* * *

Officials of Chibougamau Prospectors announce that sufficient funds have been placed in the company's treasury to ensure the development of its Quebec holdings throughout the winter months. German interests in the company are sending out engineers to give an independent report on the company's property.

* * *

The Gold Banks Syndicate, developing a property at the western section of Teck township, Kirkland Lake area, is reported to have uncovered a new find of some importance and is now considering financial deals laid before them.

* * *

Diamond drilling is to be started on the Waite-Ackerman-Montgomery property at an early date, according to reports from the north. The object of the work is to secure information on the mineral conditions at depth and will involve the sinking of a number of deep holes.

* * *

Shaft-sinking operations on the Ashley Gold Mines in Matachewan area are nearing the 500-ft. objective. Immediately this depth is reached crosscutting will be started to the vein on the 375-ft. and the 500-ft. levels to explore the downward continuation of the vein on the 250-ft. level.

* * *

Moss Mines reports drifting on the No. 1 vein on the 500-ft. level continues to show good results with an ore shoot seven feet wide, with assays averaging $12.50 per ton.

* * *

Hollinger is reported to have added to its holdings in the Swayze township. The company has a crew of men in that field carrying out preliminary surface prospecting. Altogether the company is now understood to own close to 30 claims in this area.

* * *

Lakeland Gold Mines is continuing lateral work on the 150-ft. level and plans sinking a shaft to a 600-ft. depth. A special shareholders' meeting is to be held in Hamilton on December 15, when a complete report dealing with developments to date will be presented.

* * *

A progress report going forward to shareholders of Tashota Gold Mines covers the development up to the early part of November. Drifting on the 200-ft. level is said to be proceeding satisfactorily. A fault was encountered which thrust the veins to the north.

* * *

Gold production by the Howey Gold Mines for November amounted to $81,250, which, plus the premium, brings it well over $90,000 for the month. Production is averaging approximately 700 tons per day as compared with 600 tons for the three months ended September 30, last.

* * *

The McNeely property on McKenzie Island in Red Lake, which was controlled by John Munro, proposes arranging a new deal since Coniagas has dropped its option. Diamond drilling showed the veins to be quite flat and Coniagas did not feel justified in further development commitments.

* * *

McIntyre-Porcupine Mines has now moved its office and technical staff to the new office building at the site of its new mill, across Pearl Lake. This transfers the last department to the site of the new operations, after producing for twenty years on the site of the original development.

* * *

McMahon Gold Mines, located south of Timmins, in the Porcupine area, is reported to have completed financing arrangements which will permit shaft-sinking operations to start.

* * *

A shaft is to be started at once on the Coghlan-Gibeau group of claims in northwestern Quebec, under option to Treadwell-Yukon Co. A few weeks ago it was reported that a mining plant was being taken in, to follow up the diamond drilling.

* * *

Dome Mines is completing the installation of the amalgamation process to supplement the cyanide treatment of its ore. The new mill, completed about a year ago, did not include the amalgamation process formerly employed and it has now been found advisable to incorporate this process. Production in November is estimated at $251,685 as compared with $285,733 in October. This is the lowest monthly output recorded in the present year and compares with a high of $328,700 in June last.

* * *

Premier Gold Mining Co. declared its regular quarterly dividend of three cents per share, payable on January 4, to shareholders of record December 14. This brings the total dividend distribution by this time to approximately $15,750,000. It has been a continuous dividend payer since 1921.

* * *

A new company known as the Leland Mines Ltd., with an Ontario charter, has been formed to develop a gold-copper-nickel prospect known as the Cross prospect at Shebandowan Lake, Ontario. The company is headed by George Leland and associates who plan exploration work, and have purchased the mining plant formerly installed on the Ogema lead-zinc property at Dorian, Ont.

CAN. PANDORA GOLD APPROVE EXCHANGE

Shares to Be Placed in Escrow For One Year

At a recent meeting held in New Liskeard, the shareholders of Pandora Gold, Ltd., and the Pandora Syndicate unanimously approved of surrendering the company's charter and transferring the shares to those of the Canadian Pandora Gold Mines, incorporated early this year.

The new company has an authorized capitalization of $5,000,000, of which $2,500,000 in $1 par value shares is classified as "A" stock, while a like amount is classified as "B" stock, ranking equally. The "B" shares are not listed.

Resolutions were passed at a meeting whereby all unit certificates must be returned to the head office of the company by December 31, 1931, and Canadian Pandora Gold Mines shares are to be issued to those on record as of that date. Shares are to be placed in escrow for a period of one year; at the expiration of the escrow, 10 per cent of the holdings of each shareholder to be released; sixty days later, 15 per cent; and 25 per cent every three months thereafter until the transfer is completed.

The company owns a gold prospect consisting of approximately 1,200 acres east of the O'Brien mine in Cadillac township, about 35 miles east of Rouyn. Diamond drilling was conducted over a length of approximately three-quarters of a mile and this fall a three-compartment shaft was started with an objective of 500 ft. in depth.

See page 24 for additional mining news

NORTHERN CANADA MINING CORPORATION, LIMITED
Investments in Canadian mines. Correspondence invited.
J. B. TYRRELL,
President and Managing Director.
Room 930, 25 King Street West, Toronto.

CANADIAN ENTERPRISES LIMITED
Developing Gold Properties
Keefer Bldg. — Montreal

Mining Securities
We solicit your orders and will be pleased to furnish you with any information on Canadian mining or oil stocks.
G. W. Nicholson & Co.
Members
Standard Stock & Mining Exchange
302 Bay Street Toronto
Elgin 5317

CANADIAN VICKERS LTD.
Aircraft Ships Engines
Structural Steel
Boilers Mining Machinery
General Engineering
25,000 Ton Floating Dry Dock
Head Office and Works:
MONTREAL — CANADA

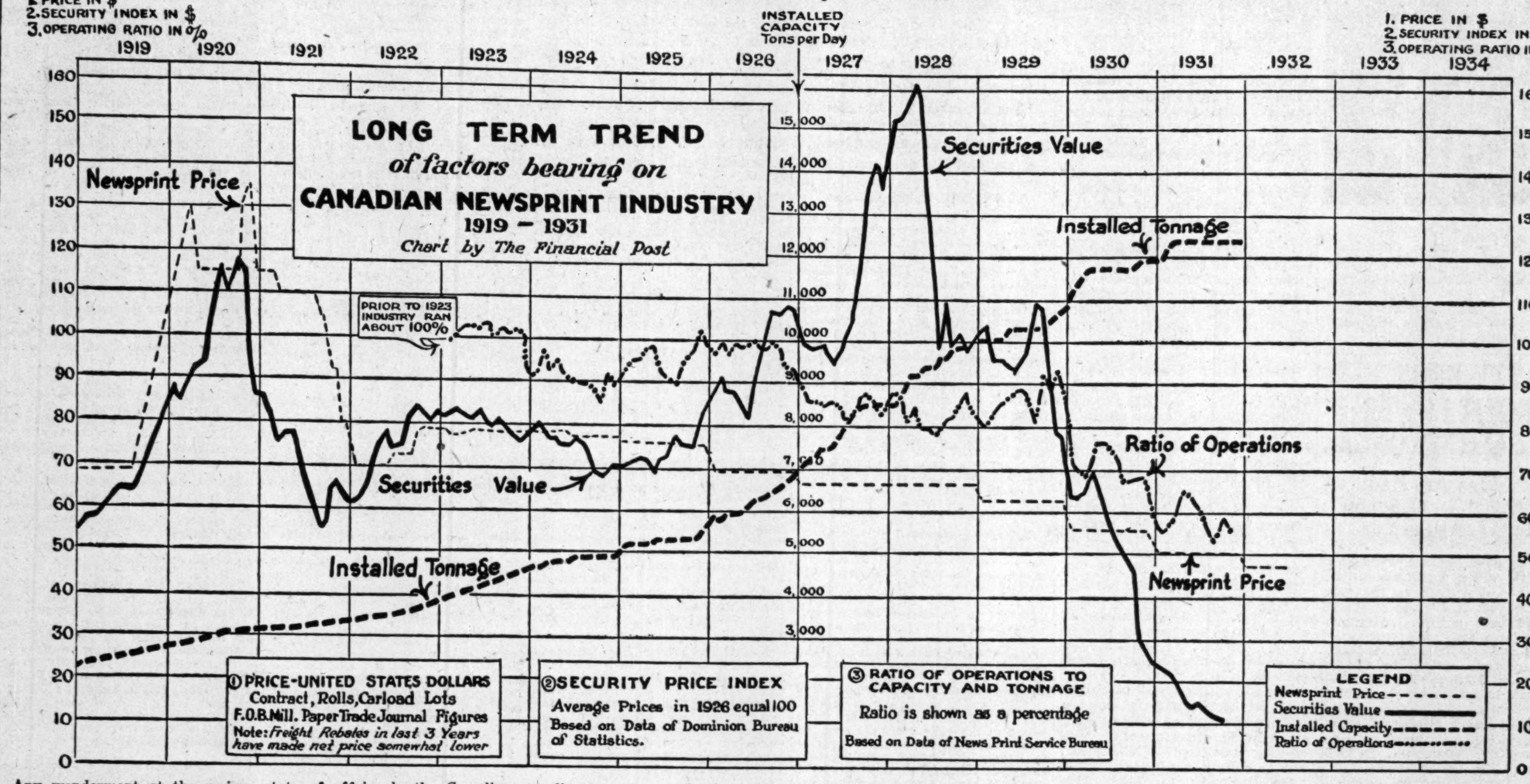
SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, DECEMBER 12, 1931 | 10c a Copy; $5.00 a Year | No. 50

With Newest Price Cut Canadian Newsprint Reaches All-Time Low Level



Any wonderment at the serious state of affairs in the Canadian newsprint industry is dispelled by an examination of the above composite chart which shows price trend, value of pulp and paper securities, ratio of operations to capacity and installed newsprint machine capacity. It will be seen that the value of newsprint paper in contract lots has steadily declined; in fact, this commodity has probably dropped back in value faster than any other important manufactured commodity.

The ratio of operations which had been well maintained up until 1926 started to drop back sharply coincident with the rapid increase in machine installation. Despite frequent warnings at the time new machines were placed in operation with an apparent absolute disregard for market conditions. The inevitable consequences of such a policy are apparent in the manner in which the line depicting ratio of operations has moved downward until today it is but a trifle above 50 per cent of capacity. This excess installation has proven such a burden to the industry that it was necessary for one company—Canada Power and Paper—to materially cut down its capitalization.

The matter does not rest there, however, for steps are presently under way with the object in mind of effecting a general reorganization of the major producers, which must inevitably mean, under present conditions, a further scaling down of capital values.

Through this period of rampant optimism, what has happened to the shareholders? The line showing the index value of pulp and paper securities from 1919 to date clearly shows that the holder of this type of security has suffered in no small way. From being regarded as among the most attractive and soundest types of security on the Canadian market, pulp and paper stocks have reached a point where they have little attraction, even as an out and out speculation. The market value of these securities has shrunk to a point where even the bonds are worth, marketwise, half or even less of their face value. Common stock dividends of Canadian newsprint companies, with one or two exceptions, have long since been deferred, while preferred stock dividends have either been passed or in the class of extremely doubtful.

Under the new sponsorship it is hoped to again place the industry on a sound footing, but the way is long and many problems have to be overcome.

DOMINION GLASS SHARE EARNINGS OFF LAST YEAR

Unsettled Conditions Reflected in Income Account for 1930-31

From Our Own Correspondent

MONTREAL.—Decrease in common stock earnings, decline in working capital and a deficit of $105,004 after payment of all charges, is noted in the report of Dominion Glass Co., for the year ended September 30 last.

The total income for the 12 months, as reported by the company, was $409,355. This compares with $548,998 in the preceding year and with $778,392 in 1928-1929. There has been a steady decline in bond interest over the past two years, due to operation of the sinking fund, while preferred dividends have remained unchanged. Consequently the amount available for distribution on the common stock in the past year was $192,496, as against $324,809 in 1929-1930.

Earned $4.52 a Share

Common stock dividends paid during the past year were equal to $7 a share. Commencing with the current quarter, however, the dividend has been reduced to the basis of $5 a year. The following comparative income account for the past three years, however, shows that earnings on the common amounted to $4.52, or 48 cents less than the new dividend rate:

	1930-31	1929-30	1928-29
	$	$	$
Profits	409,355	548,998	778,392
Bond int.	34,859	42,189	49,179
Balance	374,496	506,809	729,213
Pref. divd.	182,000	182,000	182,000
Balance	192,496	324,809	547,213
Com. divd.	297,500	297,500	297,500
Balance	d 105,004	27,309	249,713
x Writ. off	......	......	125,000
Surplus	d 105,004	27,309	249,718
Prev. surp.	1,455,690	1,428,381	1,303,668
P. & L. bal.	1,350,686	1,455,690	1,428,381

x Patent rights, trade marks and goodwill.

As at September 30 last, the balance sheet showed current assets of $4,035,523 and current liabilities of $905,897, leaving a net working capital of $3,129,626. This compares with a working capital of $3,544,449 in the previous year, or a decline of $414,823.

Assets totalled $12,412,581, up from $12,115,883 at the end of the preceding fiscal year. During the past 12 months $381,731 was spent on additions to plant, bringing the property account up to $5,636,555. The amount shown against patent rights, trademarks and goodwill, remains unchanged at $2,581,920.

Among current liabilities the most interesting change is the increase in investment in government bonds, amounting to $97,950 to $1,110,746.

The amount deposited with the trustee shows an increase from $61 to $53,238. Investments, largely made up of the company's own bonds, show an increase in book value from $46,337 to $58,418.

During the past year $77,300 of the company's bonds were retired, bringing the funded debt down to $544,500. There is no change in the amount outstanding of preferred or common stock. The current liabilities account show little change in aggregate, the increase in accounts payable from $190,169 to $296,042 being the most notable. A new item in the balance sheet this year is $120,000, representing balance falling due on property purchased.

The depreciation reserve has been increased from $2,546,004 to $2,761,498, while surplus has declined from $1,455,690 to $1,350,-685.

Follow Retrenchment Policy

Following are the remarks to shareholders, in part, by Sir Charles Gordon, president of the company:

"The year has been an extremely difficult one for most manufacturers and this company has not escaped the general trend. It being impossible to forecast when an improvement of conditions will be reflected in company's earnings a policy of retrenchment, combined with a strong effort to further increase efficiency, is being followed. There has been some well considered capital expenditure on equipment and also on additional property adjacent to the Point St. Charles factory in Montreal which will enable the scheme of improvement, proposed for that factory, to be carried out in due course. As will be observed the company has resources available for the contemplated expenditure."

CANAD. COTTONS PLANTS OPERATE ON BETTER BASIS

Operations Presently Conducted Around 75 Per Cent

From Our Own Correspondent

MONTREAL.—Improvement in operations of Canadian Cottons has been noted in recent weeks and it is stated that plant activities are presently being conducted around 75 per cent of capacity. In common with other cotton manufacturers the company has felt the benefit which higher wheat prices brought to the trade.

Earnings continue at a relatively low level. Competition from abroad and the New England mills especially, keeps the price of cotton goods at a point where there is but a marginal profit; the spurt in manufacturing activity, however, is considered encouraging.

Canadian Cottons earnings have not been sufficient to cover preferred dividend requirements in the past two fiscal years and though common disbursements have been discontinued the payments are still maintained on the preferred at the usual rate of 6 per cent. Surplus has been depreciated by $635,466 from the 1928 total yet at the end of the last fiscal year, March 31, 1931, surplus still totalled $1,114,-480.

The company's ability to maintain payments on its preferred shares is a reflection of a policy adopted in more prosperous times when large reserves were piled up. Earnings, however, have been on the down-grade since 1926, though last year a slight improvement was reported over the previous period.

In the year ended March 31, 1931, net profit totalled $130,913 compared with $71,672 in 1930. This sum was equal to $2.87 a share on the preferred while in the preceding year only $1.58 a share was reported. Bond interest after depreciation, however, has been covered each year despite the decline in earnings.

Truck Problem Waits On Royal Commission

Review of Trucking Phase of National Transportation Muddle Finds Two Major Problems to Be Solved

By KENNETH R. WILSON

(Final Article in a Series on Highway Transport and Steam Railways)

If there is any truth in the famous Gilbert and Sullivan couplet that "quiet, calm deliberation disentangles every knot," then 1932 should go far towards producing a solution to the rail-motor truck transport problem in Canada.

Over a very short period of time this problem has assumed a position of major importance in our national economy and now discussion and controversy have crystallized in the appointment of a Royal Commission which will thrash this matter out as one phase of Canada's national railway problem. Other important bodies are also striving for a solution in their particular field or province but there is little or no doubt that now, all such enquiry will either be diverted towards or else wait for, the work about to be done by the Ashfield Commission.

To further assist those who have followed this series of articles on this problem, it has been thought expedient to conclude with a final article which will in some measure bring together the considerable body of data presented on this subject in the past four months and in this way, give a background which it is hoped will prove useful to those who will follow the work and results of this Commission as it goes about its very significant task.

Big Business Proposition

Briefly it was found that Canada's truck population at the end of last year was nearly 170,000 and is doubling itself every five years. These trucks alone represent an investment of over $100,000,000 while a conservative estimate of the merchandise they move annually is estimated on a revenue-freight basis, to be something like $100,000,000. Not all of this has been taken away from railways, of course, but this volume of business in terms of railway traffic means that for every $6 of merchandise moved by rail, $1 is going by truck.

Other interesting and pertinent facts compiled about the Canadian situation were that approximately one-third of our total truck population are vehicles of over 3-ton capacity; that 5 per cent of the total are public commercial vehicles and approximately 5 per cent are operated privately by industrial, commercial and retail concerns. The remainder were used exclusively for the transport of farm products.

Highway Investment $325,000,000

So much for trucks. As to highways it was seen that the funded debt of nine provinces directly attributable to highways was over $325,000,000 at the end of 1930 and that last year alone, capital expenditure on highways for both provinces and municipalities as compiled by The Dominion Bureau of Statistics, was approximately $70,000,000. Maintenance charges in the same year were about $20,-000,000 for the provinces and $4,-000,000 for the municipalities. As to taxation it was found that provincial revenues from motor vehicles, registrations and gasoline taxes amounted currently to $43,-000,000 of which $23,000,000 was derived from gasoline tax and the remainder from registration and license fees. These figures give some idea of the tremendous extent and importance of the problem.

As to what had been done in other countries it was found that a great many of the most important railways in the United States had gone actively into some form of co-operation and co-ordination of truck and rail services, and that the use of trucks as feeders and distributors of merchandise in co-operation with railways, was an accepted and established fact in both England and Germany.

Canadian Position Shown

The position of the various interested groups in Canada was shown including statements from Sir Henry Thornton, of the C. N. R., J. L. Stewart, representing the Canadian truck manufacturers; Donald R. MacQuarrie representing the organized trucking interests of Ontario, T. E. McDonnell, president of the Canadian Pacific Express Company, and also an independent opinion from a noted transporta-

(Continued on page 23)

ASSOCIATED TEL. CURRENT INCOME ABOVE DIVIDENDS

Returns for First Half of Year Amply Cover Requirements

From Our Own Correspondent

MONTREAL.—Report of Associated Telephone and Telegraph Co., which has substantial interests in Canada, including British Columbia Telephone Co., and the Eugene F. Phillips Electrical Works, for the first half of the current year indicates earnings at the rate of $29.72 a share per annum applicable to both the 7 per cent preferred and $6 preferred stock. In the same period, earnings available for the Class "A" shares were at the rate of $12.70 a share per annum.

For the six months' period, and after due allowance for depreciation and interest and dividends of subsidiaries, interest requirements on the company's 5½ per cent debentures are reported as earned 4.73 times requirements.

Cover Wide Area

Associated Telephone and Telegraph Co. comprises an alliance of British, Canadian and American financial, operating and manufacturing interests in the telephone and allied industries. Its own and affiliated operating units cover a wide geographical area, including Canada, Portugal, South America, and the West Indies.

Depreciation of Dollar Not Easy of Diagnosis

Multiplicity of Contributory Factors Confuse the Issue—Movement Unrelated to Current Conditions

The other day a nice old Torontonian, cashing a monthly money order from England, was handed about 75 per cent of what she customarily received in Canadian currency, and asked "Who gets the rest?"

The decline of the value of the Canadian dollar in New York during the past several weeks to its present depreciation of about 16 per cent is causing many people similar wonder as to the causes, and a satisfactory answer is hard to find.

Among the confused tangle of factors which are involved in the exchange situation—and there are more now than ever before—no one can be singled out as having a prime bearing on the fall of the dollar during the past month or so. This is perhaps the best answer that can be given.

But there are some further observations that can be made in the matter. One of these is that the recent depreciation of the Canadian dollar of late weeks is not a reflection of any current turn of affairs, of any new economic situation arising in the past three or four weeks, so much as of a set of conditions which have existed and have been developing over a considerable period and which are only now, and rather suddenly, taking effect. It can, indeed, be said that the fifteen or sixteen-point drop which has been revealed during the past six weeks or so actually had its beginning two years or more ago. Supports afforded by the gold standard have been knocked away and our dollar in New York is left to work out its own destiny.

The reduction in Canada's exports of agricultural products this year is probably adding its mite to the trend, for normally exchange is more favorable in the fall wheat exporting period, being adverse in the early months of the year because of the usual excess of import payments at this season of the year.

Repatriation of Funds

Another contributing factor in the past several months has undoubtedly been the repatriation of funds. At times like these there is prevalent a desire to recall one's funds and loans. It is happening in all countries, and, as between the United States and Canada, there is a greater demand for U.S. funds in Canada than for Canadian funds in New York which has a depressing tendency on the Canadian dollar.

This introduces another factor. Canada has been borrowing abroad heavily for years. There is no particular harm in this while conditions in both countries remain reasonably parallel. But when conditions become complex and variable, (such as is the case, if one country suspends the shipment of gold and the other maintains it), it may arise that when the lending country finds it necessary or expedient to recall a loan it may be a most unpropitious moment for the borrower to have to refund it.

One of the factors having some psychological influence in affecting the Canadian exchange adversely is the falling due in New York, within the next few months, of heavy obligations in principal and interest on government and other bonds, payable in New York funds, to meet which trade credits alone will not be adequate; although our trade balance with the U.S. has been increasingly favorable of late. This latter fact alone emphasizes the complexity of the exchange problem at the present time, since ordinarily it would be one of the prime factors in maintaining the value of the Canadian dollar.

Under present circumstances it seems highly probable that the discount on Canadian currency will continue until gold shipments, upon which a ban exists until March next, are resumed or until a more permanently favorable trade balance is re-established.

Moreover, a good deal of apprehension exists as to Canada's budget position in the face of greatly reduced revenues, notably of the national railways, and emergency outlays for unemployment relief and so forth. This was not alleviated by any means by the recent action of the Bank of Montreal in deciding to pay its dividend in Canadian funds only, as this action was apparently interpreted by Wall Street as evidence that the discount on Canadian dollars would remain for some time.

Baltic Pulp Cartel Said to be Crumbling

From Our Own Correspondent

MONTREAL.—Despatches from New York state that the Scandinavian pulp and paper cartel is to be dissolved.

Because of the depreciation of Scandinavian currency since the Scandinavian nations followed England off the gold standard, Scandinavian paper producers have an advantage in the American market at present. Payment is received by Scandinavian and Canadian paper mills in New York funds, but because the Scandinavian currencies are quoted at a much greater discount than the Canadian dollar, the Baltic mills have lower production cost and are consequently in a position to quote lower prices.

The termination of the cartel is expected to lead to additional price reductions by the Scandinavians, because individual producers will not then have to sell fixed quotas at fixed prices.

Includes Small Producers

The Scandinavian organization is known as the Nordiska Mechanical Pulpul Cartel, and it includes Swedish, Norwegian and Finnish mills. The smaller mills of the three nations, producing mechanical pulp only, are in this Cartel, which does not include the large producers of chemical pulp. The Cartel is something of an influence in keeping up prices among its numerous members, something the larger companies cannot do without resorting to a Cartel agreement.

Most of the Swedish pulp brought into the American market is chemical pulp, but independent action by the numerous Scandinavian producers would undoubtedly unsettle pulp prices in Europe sufficiently so that repercussion might reach the American market.

Have Broken Away

The Cartel was originally formed in 1928, and is renewable annually. The present term expires March 1, 1932, but some North Swedish mills have already withdrawn. Contracts of the Cartel do not expire until March, so that the prices of the Cartel will not be affected until then. In the meantime, the breakdown of the Cartel may have a considerable psychological effect on North American paper prices.

Importations of mechanical Scandinavian pulp into the United States in 1930 amounted to only 16,208 metric tons, compared with 635,000 metric tons of chemical pulp, 314,-000 tons were unbleached sulphite, 44,000 tons were bleached sulphite and 277,000 tons were sulphate.

Montreal Tramways Co. Seek Longueuil Franchise

From Our Own Correspondent

MONTREAL.—Negotiations are under way between the Montreal Tramways Co. and the city of Longueuil, for creating an autobus and tramways service between Montreal and Longueuil for 22 years. A by-law has been prepared for the consideration of the council and upon meeting approval of that body, will be committed to the ratepayers for final ratification.

Estimated Wealth of Prairies

The estimated wealth of Manitoba is now $1,970,000,000; Saskatchewan, $3,047,000,000, and Alberta, $2,406,000,-000. Alberta's per capita wealth is the second highest in Canada.

Acadia Sugar Earnings Show Gains Over 1930

From Our Own Correspondent

MONTREAL.—Earnings of Acadia Sugar Refining Co. continue to compare favorably with those of last year and the financial statement for 1931 is expected to show gains over the previous year. Improvement in earnings is a reflection of a more orderly condition in the Canadian sugar refining industry, following tariff action last year, together with a slight increase in prices for refined sugar effective during the current year.

In addition to doing well in the period to date Acadia Sugar made tangible headway in 1930. Net earnings were $466,934 compared with $373,720 while net profit after all charges was $87,042 compared with $683 in 1929. There is no definite indication as yet as to what the income account for 1931 will show.

That directors were satisfied with the general situation is indicated by the fact that the preferred stock is now on a regular dividend 6 per cent basis, the first payment since 1915 being made last December. At that time a disbursement of 3 per cent or $45,000 was made, to be followed by a similar payment in June.

The market for the first mortgage bonds has shown a stronger tendency since the betterment in the company's affairs has become apparent. At the end of last year there was $2,270,700 of this 6 per cent issue outstanding while there was also $688,633 of 7 per cent general mortgage bonds issued.

Bank Dividend Policy Upsetting to Wall Street

Action of the Bank of Montreal in paying its dividend in Canadian funds only is causing considerable perturbation among U. S. representatives of Canadian security houses, according to reports from Wall Street. So far, all Canadian banks have made dividends payable in both Canadian and U. S. funds but action of Bank of Montreal may indicate that all banks will follow suit when next quarterly payments come due.

One reason for uneasiness is the belief that this action on the part of Canadian banks indicates that our bankers are of the opinion that the present heavy discount in Canadian funds may continue for a long time, otherwise a long-standing practice would not have been upset.

The following comment appeared in the Wall Street Journal last week:

"Representatives here of Canadian security houses are perturbed over the announcement of a large Canadian bank of its newly adopted policy of making dividend checks on its shares payable only in Canadian funds. For several years dividend checks to American holders of these shares had been payable here at par in American currency. Canadian houses here are fearful that it may discourage American investors from purchasing Canadian corporation shares.

"'If other Canadian banks with offices here adopt the same policy,' said one bond man, 'it may have a tendency to turn American investors away from Canadian stocks, if they must take their chances on exchange fluctuations in cashing their dividend checks.

"'In the present period of uneasiness over business conditions there is danger that this new policy may be construed as a feeling on the part of Canadian bankers that the present heavy discount on Canadian funds may continue for a long time, on the theory that had they felt otherwise they would not have revised a practice which prevailed through a similar condition a decade ago. If present conditions may be expected to adjust themselves within a reasonable time it seems unfortunate that American shareholders should be disturbed at this time when they had come to assume, by experience, that their dividends would be obtainable in their own currency.'

"It has been suggested that the new step was intended particularly to prevent Canadian holders from cashing their checks here in American currency to the disadvantage of the bank. Canadian houses feel that that point could have been met by making dividend checks to Canadian shareholders payable only in Canadian funds."

UTILITIES POWER SECURE CHARTER ON CANADIAN UNIT

New Subsidiary Controls All Foreign Properties of Parent Firm

From Our Own Correspondent

MONTREAL.—Utilities Power and Light Corp. Ltd. has been chartered under Canadian law with a capital of 100,000 shares, no par value, as a wholly-owned subsidiary of Utilities Power and Light Corp., to own all the stock of Canadian and British companies formerly owned by the American company.

The new Canadian affiliate will control the Maritime Coal, Railway and Power Co., of Nova Scotia, and will take over from the Central State Power and Light Corp. of Delaware, that company's holdings in Eastern Electric and Development Co., of Canada, the Canada Electric Co., of Nova Scotia; the Moncton Tramways, Electric and Gas Co., and the Rubana Oil Company properties in Canada.

Big British Holdings

Principal among the properties to be taken over by the new company is the Greater London and Counties Trust Ltd., of England, which controls the Bedfordshire, Cambridgeshire and Huntingdonshire Electricity Co., the Edmundsons' Electricity Corp., the Reading Electric Supply Co., and the Shropshire, Worcestershire and Staffordshire Electric Power Co. and their subsidiaries.

The trust also has substantial investments in other British utility systems. The subsidiaries under the authority of Acts of Parliament furnish electricity without competition in three large areas outside the City of London, extending east, west, south and north, and serving a population of 4,500,000 in England and Scotland and more than 1,000,000 in Wales.

The fluctuations in the pound sterling and in Canadian exchange have no effect on the actual worth of the four properties of Utilities Power and Light System or on the corporation's ability to pay dividends, in the opinion of the officials of the company.

Advances to Subsidiaries

Advances made by the parent company to the British properties have been made on a dollar basis, and the earnings of the British companies have been carried to surplus and re-invested in extensions and additional properties. Utilities Power and Light Corp. is in a position to continue that policy, it was announced some weeks ago, and probably will carry it on for years to come.

The system plans the expenditure of £10,000,000 in Great Britain over a period of five years, one year of which has been completed, so that the original plan calling for $50,000,000 will be considerably less over the entire period, due to the substantial depreciation in the value of the pound sterling.

HEAVY RAINFALL DECREASES LOAD JAMAICA SERVICE

Unusual Climatic Conditions Affect Power Sales for Irrigation

From Our Own Correspondent

MONTREAL.—Revenue of Jamaica Public Service Co. has been adversely affected in recent weeks by an unprecedented rainfall on the island. While the rains are always heavy at certain times of the year, the extent of the precipitation this year has found definite reflection in the demand for energy supplied by the company for irrigation purposes.

The rains, in part, account for the decline in gross and net earnings recorded in October. Gross showed a drop of 3.71 per cent at $64,606 as compared with the same month in 1930 while net was down 1.19 per cent at $23,699. Surplus after charges was $14,291, a decline of 18.19 per cent from October, 1930.

Comparisons Now Equitable

After showing declines in surplus after charges in the early months of this year, improvements were reported in July, August and September. The former declines in surplus after charges was due largely to the fact that the company was absorbing interest charges on an additional issue of bonds offered in July, 1930; comparisons since July of this year are therefore on a more equitable basis.

For the 12 months ended October 31, 1931, gross and net still showed an increase over the same period in the preceding year but surplus after charges was lower. Net earnings for the 12 months period were $342,330 an increase of 2.31 per cent; surplus after charges was lower by 5.04 per cent at $23,024.

In 1930 Jamaica Public Service Ltd., the Canadian organization controlling the Jamaica utility, earned $2.01 a share on its common stock compared with $2.05 a share in the previous year. The shares are quoted around 40 on the Montreal Stock Exchange.

Two Montreal Brokers Consolidate Activities

From Our Own Correspondent

MONTREAL. — Official announcement is made of the amalgamation as of December 15 next of Pitfield, Scott and Co., and Mathewson, McLennan and Co., members of the Montreal Stock Exchange and Montreal Curb Market. The new company will be known as Pitfield, Mathewson and Co. and will continue to do a general stock broking and bond business, with head office in Montreal and branches at Halifax, Saint John, Quebec and Ottawa.

The partners of Pitfield Mathewson and Co. comprise W. C. Pitfield, H. Mathewson, R. Lawson, F. S. Mathewson, G. S. McLennan and K. A. Handyside.

NEW CAPITAL TAX ONTARIO IMPOSES MAY DIE SHORTLY

Government Said to be Impressed by Protests

TRADE BOARDS FIGHT

Many Disadvantages Are Claimed for Tax—Drives Capital Away from Province

Business men in Ontario are understood to have received encouragement from the Ontarion government for their belief that the capitalization tax imposed at the last session of the provincial legislature will be repealed at the post-New Year's session. The tax has proven unpopular from the start and it is alleged that it has created many inequalities that are now recognized by the provincial government.

Recently the Ontario Associated Boards of Trade took a determined stand in opposition to the tax. It declared that a tax on capital is fundamentally unsound. To make a wider application of this principle in the Province of Ontario was deemed most inadvisable, particularly as the manufacturing and mercantile companies to which it was extended were, in many instances, experiencing the most competitive conditions from home and abroad, were required to meet rapid market fluctuations and were already feeling to a considerable extent the effect of the world-wide depression. It was felt that these classes of companies, upon which so many of our people depend for employment, should be left as free as possible and no further handicaps placed in the way of their recovery and expansion.

Specific disadvantages claimed for the tax by the Boards of Trade in a memorandum recently presented by the government were as follows:

"1. The Act applies to all companies transacting business in Ontario, but it is doubtful whether it would apply to firms having no resident agent or representative or no office or place of business in Ontario which take orders for or buy or sell goods, wares or merchandise by travellers or correspondence as the Ontario Legislature has intimated, in the Extra-Provincial Corporations Act that it does not deem such activities constitute the carrying on of business in the Province of Ontario. Outside firms doubtless do a large volume of business in Ontario, consequently the imposition of the Corporation Tax Act, 1931, places them in a preferred position.

Other Provinces More Lenient

"The Ontario corporation tax is more severe than corresponding taxes in some of the other provinces. For instance, the Corporation Tax Act in Quebec, while at the same rate, only supplies to paid-up capital and does not tax reserves and borrowings on capital account. In the provinces of Alberta, New Brunswick and Saskatchewan, the tax on corporations is limited to fixed maximums of $500, $400 and $500 respectively.

"3. Individuals and partnerships are free from the corporation tax and not infrequently operate in direct competition with companies which are subject to it. Individuals and partnerships are, as a result, in a preferred position with respect to competitors who are incorporated.

"It has been contended that this disadvantage on the part of incorporated companies is offset by the limited liability enjoyed by their shareholders. Such a contention fails to take into consideration the Ontario Limited Partnership Act which enables partnerships to be formed consisting of two classes of partners—general partners who carry on the management of the partnership much the same as shareholders in a company and have the usual liability of partners, and special partners who are not liable for the debts of the partnership beyond the amounts contributed by them to the capital. It is to be expected that organization under the Limited Partnership Act will be resorted to in order to avoid the corporation tax.

Companies Tax Duplicatory

"4. The tax is duplicatory in two respects:—

(a) The Province of Quebec does not allow any reduction in its corporation tax in the case of companies having a capitalization of $100,000 or less operating in Quebec and other provinces. As a result, companies carrying on business in both Ontario and Quebec are assessed upon amounts in each province which, when added together, are more than the actual capitalization of the company concerned. In a known case, an Ontario incorporated company with an actual capitalization of $35,000, operating in the provinces of Ontario and Quebec, is assessed by these two provinces for corporation taxes on an amount of $65,000.

(b) The Ontario Provincial Treasurer's Department takes the position that a company situated in Ontario and doing business in other places direct from its Ontario office transacts all of its business in the Province of Ontario for the purposes of the Ontario corporation tax. This means that a corporation tax is in certain cases collected on business transacted outside of the province which bears taxation in the jurisdiction where it is transacted.

Export Trade Taxed

"5. No allowance is made for export trade. The development of Canadian export trade is most essential but the imposition of the corporation tax places Ontario exporters in a less favorable position to meet the competition for foreign markets.

"6. The imposition of the corporation tax on commercial and industrial companies will create a tendency on their part to move their offices to points outside the province to avoid the tax. In fact such action is already being contemplated by some. One Ontario company owns the stock in a number of manufacturing companies operating in various countries throughout the world, only one of which is in Ontario to supply the Canadian trade. The Province of Ontario, under the 1931 amendment to the Corporation Tax Act, is endeavoring to tax the holding company, situated in this province, on one-half of its total capital and reserves (derived from the operation of all subsidiary companies) of $2,400,000 although the company estimates that considerably less than $1,200,000 is invested in the manufacturing unit in Ontario. Of the total of $2,400,000 capital and reserves, $1,000,000 represents reserves invested in securities, etc., in this province. There is a strong possibility that the holding company will move its office and its investments out of Ontario as a result of which this capital, with its investment possibilities, creating a valuable source of taxation and employment, will be lost to the province. This case is typical of the danger of a number of firms withdrawing their investments from this province as a result of the attitude of corporations which view the corporation tax as the last straw in their taxation burden.

While the Corporation Tax of one-tenth of one per cent may not in itself be a serious item to some companies called upon to pay it, the amount collected in the aggregate, estimated, it is stated, at $2,000,000 to $2,500,000 per annum, is a heavy toll upon the commerce and industry of the province which, in vew of the fact that it is a capital levy and takes no account of ability to pay, must ultimately impair capital investments and have an adverse effect upon production and employment. Figures issued by the Dominion Bureau of Statistics indicate that the total taxation in Canada increased 24.2 per cent between 1922 and 1929, while the increase in net production was 34.2 per cent.

"The cumulative effect of the new corporation tax in Ontario and increasing municipal taxes has been to lead companies already here to defer extensions of their business and to place an additional handicap upon the securing of new industries. It is respectfully submitted that the present state of commerce and industry and economic conditions generally demand retrenchment on the part of all governments so that further taxation may be avoided and industry left free to develop and provide employment as rapidly as possible."

New President

HARRY C. SLEMIN

Who, at the December meeting of the directors of The Office Specialty Mfg. Co. was elected president and managing director. Mr. Slemin has been managing director of the company since June, 1916.

BEATTY BROS. PROFIT LOWER; CASH STRONGER

Bank Loans Are Reduced $230,600 — Common Paid from Surplus

Beatty Bros. had net earnings of $131,281, after depreciation, bad debts and donations, in the year ended August 31, 1931, as compared with $693,649 in 1930. After provision for income tax reserve of $28,573 and a write-up of life insurance surrender values by $17,089 there was $119,797 available for dividends or just under the amount required to meet dividends on the first and second preferred stock. Dividends were continued on common stock during the year. In 1930, common shares earned $3.61.

Sales for the year are stated to have been substantially lower than in 1930 with resultant decrease in profit. Operating expenses have been materially reduced. Collections are said to have been satisfactory and bills and accounts receivable and bank loans have been reduced. During the year, the common stock was divided into class A and class B, the only difference being that class A shares are preferred as to dividends. Dividend was passed on the class B shares which are held by executives of the company but have been continued on the class A shares held by the public, although the rate was reduced from $2 to $1 per year.

Details of the income and surplus account of the company for the past three years is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended August 31

	1931 $	1930 $	1929 $
Net earn.*	131,281	693,649	806,643
Less: Life insur. prem. w/o	......	14,846	23,302
Add: Life insur. writ. up	17,089	......	......
Res. for inc. tax	28,573	56,510	48,168
Net profit	119,797	622,293	735,173
Less appropriations:			
1st pref. div.	75,000	75,000	43,710
2nd pref. div.	46,776	45,826	49,449
Com. div.	158,500	278,000	......
Surp. for yr.	†160,479	223,467	642,014
Add:			
Prev. surp.	2,251,894	2,027,996	1,385,982
Bal. re-finance reserve	......	431	......
Bal. car. for.	2,091,415	2,251,894	2,027,996

* After depreciation, bad debts and donations.
† Debit.

Working capital position of the company has been improved through reduction of bank loans to $477,500 from $708,100. Current assets amount to $5,343,559 as against $5,748,830 in 1930. Accounts receivable, after reserve for bad debts, are shown at $3,904,912 as against $4,272,042 in 1930. Inventories are down to $1,210,471 from $1,283,371; cash to $36,160 from $48,387. Cash surrender value of life insurance is up to $192,015 from $145,030. Current liabilities amount to $671,620 as compared with $1,001,684 in 1930.

Investments of the company are slightly lower at $57,987, while total fixed assets are valued at $1,500,322 as against $1,485,941 in 1930. Principal increase in the item is in land and buildings carried at $745,365, an increase of less than $5,000, while plant and machinery, valued at $533,541, has been increased by $15,500.

In addition to current liabilities, the company has mortgage payable of $59,550 as against $60,921 in 1930, while depreciation reserve has been increased to $691,684 from $603,329. As in 1930, there are 12,500 shares of 6 per cent first preferred stock, series A, outstanding having a par value of $100 per share. The 7 per cent second preferred stock has been increased to 6,696 shares from 6,614 shares outstanding at the end of the previous year. The split in the common stock has made no difference in the valuation for balance sheet purposes and the 39,000 shares of class A and the 100,000 shares of class B are carried at $1,475,000. Surplus is down to $2,091,415 from $2,251,894.

WPG. ELECTRIC DEFER DIVIDEND ON PREFERRED

Decline in Earnings Given as Reason by the Directors

From Our Own Correspondent

MONTREAL.—Current quarterly dividend on $5,000,000 of 7 per cent cumulative preferred stock has been passed by Winnipeg Electric Co.

Among the reasons actuating directors in making this decision and over which they have no control, and factors causing a marked falling off in net revenue, as stated by Edward Anderson, president of the company, includes a shortage of water curtailing production and sales of power; declining traffic on the street railway, and excessive taxation on the street railway property.

During the past year the company reported earnings on the preferred stock of $11.46 a share. This was before allowing for sinking fund reserve which the company treats as an appropriation after preferred and common dividends.

Current Income Lower

During the first nine months of this year gross income amounted to $4,302,427 and operating expenses $3,039,129, leaving a net operating income of $1,263,298. During the corresponding period of 1930 net operating revenue totalled $1,400,920, the decline for the current period being 9.82 per cent.

No details are given of the net amount applicable to the common capital stock, but it would appear to be considerably less than last year owing to the fact that interest charges on the funded debt are payable in New York at the option of the holder. This would make for a substantial increase in charges of late months, as the Canadian dollar has been selling at a heavy discount in New York.

The present preferred stock was first publicly offered in October, 1920, at 90, carrying a bonus of 30 per cent in common stock. This offering amounted to $3,000,000.

Sell to Customers

On December 13, 1926, 2,500 shares of preferred stock were offered to customers. Subscriptions received totalled 11,377 shares and this number was allotted. In the same month a year later another offer was made, this time amounting to 5,000 shares. As was the case in the first campaign, the second one was more than doubly oversubscribed and it was necessary to cut the allotment down to 8,623 shares, representing the balance of the authorized issue.

From 1922 to 1930 the stock had a market value ranging from 80 to 112. Last year it ranged from 81½ to 72, while for the current year the market value has been between 81½ and 49, being currently pegged at 50 and offered over-the-counter at approximately 42.

Taxicabs Give Competition

From Our Own Correspondent

WINNIPEG.—In a letter being sent to shareholders of Winnipeg Electric the passing of the dividend on the preferred is explained as being partly attributable to shortage of water for power production, but being mainly due to reduced street car traffic, and to unjustifiably heavy taxation of the system.

The city council has been notified of the company's desire to suspend street car service on Logan Avenue, and to curtail operations elsewhere.

There is a possibility that regulation of taxicabs, with compulsory installation of meters, and insistence on a minimum fare, will have an effect on the position of the street railway. With over four hundred taxicabs in the city, with a rate war that has made 25 cents and 35 cent fares common, and with some companies, especially those with arrangements for preference at railway stations, endeavoring to stick to tariff charges, the whole taxi problem has been put up to the city council, with the argument that low wages and long hours of drivers constitute a menace. Cheap taxi fares have resulted in a heavy loss of passengers to be carried by the street railway.

Another adverse factor was the long continued good weather of the fall, which resulted in a much smaller than ordinary percentage of private cars being put up for the winter.

Hoover Asks Congress Let Tariff Alone

From Our Own Correspondent

WASHINGTON.—In the president's message to Congress, the paragraph which most interests Canada is the one strongly declaring against further revision of the tariff by Congress and arguing that the authority of the tariff commission under the flexibility clause of the present law provides ample means for any adjustments that may be needed. Whatever the United States may do toward rebuilding general world trade, there is small prospect of any reduction of protective duties during the present administration. The argument of protectionists on that line is that prices and profits are much too low now and that the remedy for economic distress in all countries must be higher returns for labor and capital alike, rather than any move toward a lower level.

Predictions in correspondence to The Financial Post some weeks ago that the Socialistic ideas would become a principal subject of attack during the coming year find some corroboration in the concluding paragraph of Mr. Hoover's message in which he says:

"If the individual surrenders his own initiative and responsibilities, he is surrendering his own freedom and his own liberty."

It will be recalled that he wrote a book on "American Individualism" long before he became president. He draws from the principles there expressed in insisting at this time that individualism is the "very basis of our freedom."

These expressions are much too emphatic to be regarded merely as a warning against the growth of the now prevalent forms of centralization and bureaucracy. They lay a clear foundation for meeting any advances of Socialist thought in political and legislative matters by specifically condemning them as attacks on the fundamental doctrines of the republic.

BANK OF MONTREAL

Annual General Meeting Held 7th December, 1931

The 114th Annual General Meeting of the Shareholders of the Bank of Montreal was held in the Board Room at the Bank's Headquarters.

On the motion of Mr. H. R. Drummond, Sir Charles Gordon, G.B.E., was requested to take the Chair.

The Honorable Thomas Ahearn, P.C., moved, seconded by Mr. Henry Rawlings, that Messrs. Arthur Browning and Norman J. Dawes be appointed to act as Scrutineers, and that Mr. C. H. Cronyn be the Secretary of the Meeting. This was carried unanimously.

THE PRESIDENT'S ADDRESS

Gentlemen,—You have heard the report just read, and your Directors trust that the result of the year's operations as disclosed by the balance sheet of the Bank and statement of profits already published will be deemed satisfactory. The profits for the year have proved sufficient to provide payment of the customary dividends. Making due allowance for the difficulties which have beset all business during the year, and from which banking has certainly not been free, this result, I venture to think, is a matter for congratulation. The bonus of 2 per cent, paid for several years past, the Directors have deemed it advisable to omit, believing that this will meet with your approval as a manifestation of the traditional conservative policy of the Institution.

INDUSTRIAL SITUATION

Business throughout the Dominion has experienced a general recession more severe than recorded in our last report, and the basic industries of the country have suffered correspondingly. This has been particularly apparent in lumbering and mining, although as regards the latter an offsetting advantage has been a stimulus to the production of gold. The manufacturing of newsprint, another basic industry of Canada, has in recent years suffered a large decline in value and a lesser one in volume. The industry's difficulties have arisen in the main from the erection of mills and development of capacity in excess of market requirements, and, unfortunately, shareholders have sustained losses from over-capitalization. There is reason to believe that a better condition is being ushered in, by the profit arising from the premium on New York funds—most of Canada's newsprint being exported to the United States—and from the consolidation of companies for the purpose of reducing overhead expense and effecting more economical distribution of the product.

Events during the year have brought into strong relief a situation which in any case would have called sooner or later for drastic remedial measures. I refer to the destructive competition between our two great railway systems, one being a private organization which has done more to develop and advertise Canada than any other single agency, and the other a State system into the ownership of which the Dominion was forced by combination of unfortunate circumstances and which under unified control has become a giant enterprise. Fortunately, it is now becoming recognized by all concerned that this destructive competition cannot continue, but that some form of co-operation must be worked out by which needless duplication of services will be avoided. In addition, our railways have had to contend with lessened traffic and growing and practically uncontrolled truck and automobile competition. As a Royal Commission is to study the whole subject of transportation, and recommend measures for the guidance of the authorities in dealing with this matter, I will not dwell upon the subject further than to say that a definite settlement of the railway situation on a satisfactory and permanent basis is an absolute necessity for the future well-being of this country.

AGRICULTURE AND DAIRYING

In Canada the crops of the past season, taken as a whole, have been bountiful, the only exception being in certain portions of the Prairies where there was failure due to drought. With remarkably favorable weather, crops generally were harvested in excellent condition, and costs of harvesting were lower than for some years past, but a much reduced export demand, with a consequent price level far below that of many years past, has materially reduced returns to the farmers

The dairy industry, which dominates agricultural activity in Eastern Canada, has not escaped the effects of reduced industrial activity, butter prices being down from twenty to thirty per cent below last year, while the price of cheese is even lower. The livestock industry was less remunerative than in 1930.

In considering the various phases of the economic set-back which Canada has received, it is important to remember that they have arisen largely from extraneous and not internal causes. During the post-war period, the expansion of our industries, speaking generally, has been on a modest scale. We have not invested such a large volume of our capital assets in unproductive extensions as has been the case in the United States, and our banks and financial institutions have not had their resources tied up in frozen loans. Fortunately, under our banking system, our banks are prohibited from lending upon real estate.

CONDITIONS IN EUROPE

In Europe all countries are suffering severely from the effects of the world depression, unparalleled alike in its intensity and extent. Political uncertainties, war and non-commercial debts, unbalanced budgets and excessive tariffs are the principal influences contributing to the prevailing economic and financial distress.

The position of Germany is particularly disturbing because of her vast obligations in the form of short-term credits, the payment of which is postponed until the end of February next under the standstill agreement. Unless some relief in respect of reparations is forthcoming, the suspension of external payments by Germany seems inevitable, and the outcome of the conferences arranged to discuss reparations and German short-term indebtedness will be awaited with anxiety.

The most momentous event of the year was the forced abandonment by Great Britain of the gold standard on September 21st. The pound sterling has been for so long the universally recognized medium for the settlement of international trade and other obligations that its eclipse, temporary it is hoped, has produced universal disorganization. Commerce requires a standard of value and a medium of exchange. That standard must be as inflexible a measure as a yard-stick, and of universal acceptance in settlement of international balances. The price of gold is fixed, and it is in relation to this that prices of commodities fluctuate. Not by whim or accident did gold become the standard of value among civilized nations, but by the process of experience and the elimination of other standards tried through the centuries and found wanting. I am convinced that Great Britain will win back to a stabilized gold standard, to which end the policies of her Government and the efforts of her people are being directed. Foreign opinion has been most favorably impressed by the action of Great Britain in adopting measures to balance her budget and, what is of greater significance, in electing a National Government with a vast majority armed with a mandate to enforce the measures necessary to restore the economic stability of the country.

In considering the future of Great Britain, one must take into account the many difficulties of a social and economic character with which successive post-war Governments have already dealt—such questions as wages, socialistic tendencies and unemployment. It would appear that the country, having abandoned the gold standard and adopted a normal scale of wages, is now in a position to compete on a more than favorable basis with those countries which have not yet faced many of these difficulties.

Relatively, France has withstood the world depression with less serious results than most countries, but there are definite signs that she is now suffering from its effects. Trade and industry have visibly slackened, tourist traffic this year has been negligible compared with recent years, and unemployment, though small, is increasing.

CONDITIONS IN THE UNITED STATES

In the United States the year now ended has been one of drastic economic adjustment, and as a result of concerted and determined effort to correct domestic conditions some signs of improvement are now visible in the closing months of the year. Perhaps the most favorable development has been a slight indication of the beginning of a return of confidence and less hesitation in trade. The whole situation, however, may be said to be obscure at the moment. According to news despatches Congress will be called upon to deal with two major questions, namely, the excess of expenditures over revenue, and unemployment. No proposals have yet been put forward as to how a badly unbalanced trade position is to be dealt with, or how it is proposed to re-establish the export trade of the country. It seems apparent that so long as the United States continue to demand settlement in gold for exports and to refuse to accept the products of other nations, as they do by their high tariff walls, it will be impossible for them to return to commercial equilibrium with other countries.

A paradoxical situation has arisen in the case of the Federal Reserve system in that within a few months an increase of one billion dollars occurred in note circulation coincident with a decline in all departments of trade, which suggests hoarding as its cause. Bank failures have been numerous in the United States during the past twelve months, mostly of small units in agricultural sections, and deposits in National Banks have decreased by over two billion dollars, or about 10%, incidents which probably account for the placing of currency in safety deposit boxes or stockings. The banking situation in the United States, from what one can learn, is now showing improvement, and I am informed that what are known as the Member Banks of the Clearing House Associations are in a very strong position, although there may be further failures among small country banks. Banking in Canada has followed the even tenor of its way. The resources of our banks are large, credit supply abundant, note circulation keeps pace with trade movement, time or savings deposits are at a high point, and the superiority of the branch bank system over units banks has again been demonstrated in this period of business depression.

CANADIAN BORROWINGS

The action of the United Kingdom in departing from the gold standard resulted in Canadian exchange moving simultaneously to a substantial discount in the United States, and at the same time that market became practically closed to foreign borrowers. Undoubtedly our borrowings in New York for several years past had been on too lavish a scale, but I think that the unwillingness there to lend money to Canada is as much the result of conditions in the United States as of uncertainty regarding the future of Canada. The result of the recent National Service Loan must have demonstrated to lenders in the United States that our financial position is a strong one. While this condition in the American market lasts, governments and municipalities in this country will have to lean on domestic borrowings for their needs. The situation gives added emphasis to the necessity of our administrative authorities limiting their borrowings to essentials and keeping their outlays for relief purposes at as low a figure as is compatible with the strict requirements of the occasion. The success of the Dominion Government's National Service Loan has been a splendid testimony to the patriotism and confidence of the Canadian people. I would like to warn provincial and municipal authorities, however, not to presume too largely on the continuance of this spirit, for any extravagance in expenditure, under the excuse of unemployment relief, must call for corresponding appeals for loans which might not be forthcoming with any such readiness as has just been shown.

To fortify the position of Canada in respect of interest payments on public loans, the Dominion Government has prohibited the export of gold save under license and has extended practical aid to some of the provinces in meeting debt obligations in New York. Purchase of all gold mined in Canada is also being made by the Dominion Government, from which source it is not improbable $60,000,000 will next year be derived.

The country's large foreign obligations are factors which will tend to prevent an early return of our dollar to par, but this is not an unmixed evil as the discount on the Canadian dollar restricts imports. That the Canadian dollar will return to par I have no doubt, just as the discount a few years ago, which at one time reached 19 per cent, disappeared and gave place to an actual premium on Canadian funds in the New York market. Factors are already working to this end. In the twelve months to September 30th last year there was an adverse balance in the foreign trade of Canada of $100,000,000, while in the twelve months this year to September 30th the adverse balance was reduced to $35,000,000, which is an improvement of $65,000,000, and it is a notable fact that in the five months to October 31st last there was each month an excess of domestic exports over imports, so that we appear to have reached the point of an adjusted foreign trade.

IMPERIAL CONFERENCE

The result of the recent election in Great Britain brings once more to the fore the question of the extension of inter-Empire trade through the medium of preferential tariffs. This has been entrusted to an Imperial Economic Conference to meet next summer under more promising auspices than that assembled in London last year. There is scope for extension of Empire trade. Of the total imports of Canada last fiscal year only 22 per cent was drawn from British countries; and of total exports less than 40 per cent was to British countries. Hope may be held that from the Imperial Economic Conference will come such tariff adjustments as will promote commerce between members of the Commonwealth and so strengthen the structure of the British Empire.

WHAT OF THE FUTURE?

What of the future? There is a wise old saw, whose injunction I intend to follow—"Never prophesy unless you know." Certain features of high import may, however, be alluded to. The clouds have not yet been dispelled. European countries, notably Germany, Britain and Austria, labor under the burden of war debt, and while the moratorium prompted by President Hoover has given a breathing spell, the weight of debt still impends. Few nations have balanced budgets, without which credit is impaired. Taxation is high everywhere. The wheat situation, of almost vital interest to Canada, is beclouded by the reappearance of Russia as an exporter, and the disposition of other European countries to grow their own requirements, making imperative the extension of diversified farming in our Prairie Provinces. Then the pressure of competition in world markets is intense, as in the case of the fisheries (an industry that Japan is actively developing), lumber, copper and other commodities indigenous to Canada.

I would, however, say to those who feel themselves more or less at a loss in estimating the future that we have one advantage in the Bank of Montreal possessed by few business institutions. We have the advantage of an intimate record in our own annals of the course of trade in this country for the past 115 years. Looking into that record we see reflections of periods of great prosperity and reflections of periods when conditions and outlook, not only in Canada but throughout the world, were blacker than any we have experienced during the past two years. I could quote extracts from the addresses of past Presidents at the Annual Meetings of the Bank which would be exactly applicable, word for word, to present conditions, and others that tell of graver conditions. Yet, even under greater disadvantages than the present, conditions have always righted themselves. Looked at in the large, the history of our country, as reflected in the history of your Bank, has been one of continued progress and advancement, and I have not the slightest hesitation in reiterating the views expressed at our Annual Meetings in years past that just as the country has weathered previous storms, so now there is every reason to look forward with confidence to emerging stronger and more prosperous than ever from the conditions which now prevail. To this I would add that we, as a people, have additional reason for confidence in the fact that our accumulated resources are infinitely greater than at any like period in the past, and that our undeveloped wealth, which once was so largely a matter of speculative interest rather than of proven fact, is now known beyond any doubt whatever to exist to an extent far surpassing the most extravagant estimates of those who have gone before us. (Applause.)

The Chairman then called upon Mr. Jackson Dodds, as Joint General Manager, to read the address of the Joint General Managers, which was as follows:

THE GENERAL MANAGERS' ADDRESS

Mr. President and Gentlemen,—

On behalf of Mr. Bog and myself I have the honor to present to you the one hundred and fourteenth annual Balance Sheet of the Bank. The following are the principal changes:—

Our Total Assets now amount to $795,000,000 agaist $827,000,000 a year ago, a decrease of $32,000,000.

Quick Assets comprised of cash, call loans, bank balances and readily realizable securities, aggregate $417,000,000, or 58.11% of Liabilities to the Public. The Bank's long established policy of maintaining a strong position, subordinating profit to liquidity, has been amply justified over the course of years, especially during periods of deflation.

Reserves in actual cash total $83,600,000, or 11.64% of Liabilities to the Public. Including Bank balances, foreign currencies and notes and cheques on other Banks, the percentage is 19.73.

Call Loans at $37,000,000 show a decrease of $41,000,000. Those in Canada are down $8,600,000. Others are down $32,600,000. In part replacement of the decrease in our Call Loans in New York we hold a substantial amount of United States Government short term obligations which are immediately realizable.

Bank Balances $22,000,000 are lower by $13,000,000.

Investments amount to $238,000,000 as compared with $183,000,000 last year, the increase, $55,000,000, being almost entirely in Dominion and Provincial Government securities.

Current Loans in Canada (including advances to Municipalities) total $322,000,000, an increase of $7,000,000. Under this heading come advances to producers of primary products to manufacturers and to customers engaged in all branches of commerce.

Current Loans elsewhere aggregate $23,000,000, a decrease of $19,000,000.

Bank Premises are shown at $14,500,000, the same figure as in 1930.

Mention was made last year of premises in course of construction at Ottawa and Calgary, which involved carrying on of business during demolition of our old offices and construction of the new; in each case we are now in the completed half of the new building, while work on the remainder is proceeding satisfactorily.

In valuing our assets ample provision has been made for all bad and doubtful debts and depreciation of securities.

Capital and Rest remain unchanged at $36,000,000 and $38,000,000 respectively.

Deposits total $656,800,000, a decrease of $32,000,000. Savings Deposits are up $20,000,000; Dominion and Provincial Government balances are down $29,000,000; Demand Deposits show a reduction of $23,000,000, a substantial portion of which occurred in Mexico as a result of business conditions and the new Monetary Law.

Savings deposits have proved a boon to many whose incomes have decreased due to unemployment or other causes. Necessary withdrawals have been more than offset by new deposits; the number of depositors has increased, as is usual in a time of depression, when a more wholesome respect for the Savings Account habit is inspired.

Balances due to Banks are $12,000,000, an increase of $4,000,000.

Profits are shown at $5,386,000, as compared with $6,519,000 last year. The decrease of $1,133,000 is in keeping with the reduced turnover of business generally and the lower rates earned by reserve funds which we are obliged to employ in New York.

Since the last Annual Meeting we have opened 5 branches, and closed 32 which after a fair trial had continued to show operating losses. Business in rural districts is steadily gravitating to the central points as a result of improved roads and the speed of travel. There is consequently less need for branch banks in hamlets which formerly justified the opening of offices within a few miles of other branches of the same institution or of another bank.

Our routine in regard to registration and transfer of shares in the past has proved adequate, but we have during the past year instituted an additional safeguard in the form of continuous audit of all operations in this Department.

The printed reports of this meeting, which will be mailed to all shareholders, will continue interesting reviews by our Assistant General Managers, of agricultural, industrial and business conditions in the various provinces.

The downward movement of commodity prices, which became acute in the autumn of 1929, gained momentum in 1930 and reached record low levels during the present year. Canada, while increasing in importance as a manufacturing country, is dependent primarily on the products of the farm, forest, mine and fisheries, and being one of the largest exporters per capita in the world, has suffered severely from the dislocation of international trade.

We know from recent economic history in the United States something of the impotence of a Central Bank in maintaining a stable price level. An examination of the course of business and banking in that country from 1921, the year of post-war depression, to 1928, the crest of their period of prosperity, and the collapse of the stock market boom in 1929, reveals that while a Central Bank may assist in controlling the amount of money available, its judgment is not infallible, nor can it force individuals or institutions to use money wisely.

The accumulation in the United States and France of over two-thirds of the gold supply had its bearing on the slowing down of the world's economic machinery. Debtor countries having been debarred by tariff barriers from making payments in goods, had no alternative but to remit gold; this loss of metal added to their financial strain and the latter in turn caused a feeling of insecurity and a consequent flight to the franc and the United States dollar. The vast sums transferred to France and the United States are, therefore, not wholly the property of the French and Americans, but in part represent capital exported from other countries. The United States and France being unable to see clearly the nature of future demands upon them, are holding a certain proportion of their gold virtually in storage.

The gold held by the Bank of France, on the basis of United States dollars, was $2,650,000,000 on the 20th November, against a note circulation of $3,200,000,000, a gold cover of approximately 83 per cent; but notwithstanding this immensely strong position and the fact that France is comparatively favorably placed, the country has been disturbed by banking difficulties involving the failure of institutions of lesser importance and the hoarding of note currency.

The budget of France like that of many other countries shows a heavy deficit necessitating substantial economies in an effort to avoid higher taxation. There is also a substantial adverse trade balance against France.

In the United States the Federal Reserve Bank reported gold reserves on 2nd December of $1,817,000,000, held exclusively against note circulation of $2,478,000,000, the percentage of cover being 73.3 with the legal requirement of 40 per cent. The total monetary gold stock of the United States, including holdings by the Federal Reserve Banks amounted to $4,292,000,000, on October 31st.

Interest rates on all classes of short term funds declined to the lowest level in more than a decade. Call money was in plentiful supply throughout the year, the average rate being 1.66 per cent. Rates have since stiffened.

The excessive flow of gold into the United States, piled on top of her tariff wall, shut out trade, slowed down manufacturing and has resulted in unemployment. The domestic banking situation and related questions affecting banking liquidity have been the most disturbing feature in recent months; suspension of payment during the past year by approximately 2,000 banks, 80 per cent of which were small institutions, resulted in hoarding of note currency. The formation of the National Credit Corporation was designed by the Government to help relieve the situation, and the announcement of the plan had a beneficial effect, both economically and psychologically. It is also sought by the establishment of a system of home loan discount banks to relieve in some measure the unsatisfactory condition that prevails in respect to real estate loans.

The monetary disequilibrium from which the world is suffering reacted most severely on London, and notwithstanding support rendered by American and French credits for $250,000,000 and $400,000,000, Great Britain was obliged to suspend the gold standard on the 21st September; Norway, Sweden, Denmark, Finland and several other countries followed suit. Our interest naturally rests mainly with Great Britain, and it is our hope that the stabilization of the pound sterling may not be long delayed, making available again to the world the valuable financial machinery in London which has made that market pre-eminent as a world monetary centre.

For the greater part of the year low money rates prevailed in the London money market. The Bank of England rate was 4½ per cent when the pound was taken off a metallic basis. A 6 per cent minimum was then imposed and still stands. Call money is around 5 per cent. Discount rates have followed fairly closely the course of money. It is encouraging to record that the money market in London has accepted the recent crisis with calm and that business has functioned normally except that stock exchange transactions were limited to a cash basis until 16th November when the normal fortnightly settlement was reinstated. Restrictions against the exportation of capital from Great Britain remain in force.

We are still in the shadow of the Great War, in which over a score of nations engaged for four years in the destruction of life and capital on a scale without precedent in history. During that period colossal international debts were incurred, followed by reckless post-war financing to stimulate prosperity, which resulted the world over in burdensome taxation, loss of confidence, dislocation of industry, trade and finance, and in the creation of social and political problems, many of which yet remain to be solved.

Meanwhile, with the world out of balance and trade generally in a disorganized state, we should be thankful that we in Canada are as well off as we are. There is no gainsaying it, however, that business has been at an extremely low ebb during the past year—lower perhaps than it has ever been within the memory of anyone engaged in it today.

The situation can only be aggravated by continuing to pile up more and more federal, provincial and municipal debts. Individuals who appreciate the need for economy in their own expenditures and are striving to get out of debt are too prone, paradoxically, to condone and encourage public outlays of borrowed money, ignoring the fact that it must in the end be repaid by themselves. There is a definite limit beyond which public expenditure cannot proceed with safety, even when the object is to create temporary employment. In this country that limit is now in sight. A halt must be called to mounting expenditures—indeed has been called in some cases. The burden of taxation eats up capital resources, saps energy and enterprise, and creates still further unemployment.

It is essential that in Canada we should draw a lesson from costly experiments that have been made elsewhere and, while taking care of those in immediate distress, work in the direction of rendering as many as possible of the unemployed self-supporting. Assisting people to establish themselves on the land is the natural procedure in an agricultural country, and it is encouraging to know that practical steps in this direction are already being taken.

Agriculture is Canada's mainstay, and over the course of years diversified farming has proved the most dependable source of livelihood. In this machine age it is not surprising that industrialized farming should have its advocates, but it should not be overlooked that a farm is primarily a home, not a mine or a factory. We should strive for a better balance of our rural and urban population; obviously we have at present too large a proportion of the latter.

The establishment in Canada during the past year of many new industries, principally in Ontario and Quebec, is a favorable feature since it provides employment and use for available power. These manufactories are coming chiefly from the United States in order to supply the Canadian market and to export under the preferential tariff to other countries within the Empire. Our profitable tourist business is also providing employment, and with 23 million automobiles south of the line we may confidently look for its continued growth.

It would be rash indeed to speak with assurance of the prospects of the coming year, but it is surely permissible to say that when international confidence and the co-operation are restored, and commerce in consequence improves, Canada will be among the first to benefit. Situated as it is midway between the Old World and the awakening Orient, Canada, with its courageous, virile people, its invigorating climate, abundance of natural resources, its water power, and unexcelled means of transportation by rail and water, is destined to play an important part in this twentieth century. Our principal lack at present is sufficient rural population; this will correct itself in less time than many expect. We should profit by our neighbor's mistakes and our own and exact betimes a high standard. This of itself would exert a strong drawing power, and attract ambitious and industrious people rather than the class that has not been successful in its native country.

During the past two years I have visited all the Provinces in Canada and Newfoundland and have met every one of our Managers and the members of the staff at central points. I have also visited our three offices in the United States. It is a pleasure to testify to the high order of training which our staff is receiving under capable Branch Managers, and to their continued loyalty and efficiency. (Applause.)

REPORT ADOPTED

The Chairman then moved, seconded by Mr. H. R. Drummond, that the Report of the Directors, now read, be adopted and printed for distribution among the Shareholders.

The Report was unanimously adopted.

THANKS TO OFFICERS

The Honorable Rodolphe Lemieux, K.C., then moved, seconded by Dr. G. E. Armstrong, that the thanks of the meeting are hereby tendered to the President, the Vice-Presidents and Directors for their attention to the interests of the Bank.

Major-General The Honorable S. C. Mewburn, C.M.G., moved, seconded by Mr. A. O. Dawson, that the thanks of the meeting are hereby tendered to the General Managers, the Assistant General Managers, the Superintendents, the Managers and other officers of the Bank, for their services during the past year.

The resolutions were adopted unanimously.

The ballot for the appointment of Auditors and the election of Directors for the ensuing year was then proceeded with.

The scrutineers appointed for the purpose reported that Messrs. James Hutchison, C.A., and Charles A. Hodgson, C.A., were duly appointed Auditors, and the following gentlemen elected Directors:

The Honorable Thomas Ahearn, P.C., D. Forbes Angus, E. W. Beatty, K.C., W. A. Black, The Honorable Patrick Burns, The Honorable Henry Cockshutt, Gen. Sir Arthur Currie, G.C.M.G., K.C.B., A. O. Dawson, H. R. Drummond, G. B. Fraser, Sir Charles Gordon, G.B.E., Harold Kennedy, J. W. McConnell, Ross H. McMaster, F. E. Meredith, K.C., Major-General The Hon. S. C. Mewburn, C.M.G., Lt.-Col. Herbert Molson, C.M.G., M.C., Chris. Spencer, W. N. Tilley, K.C., and Sir Frederick Williams-Taylor.

The meeting then terminated.

At a subsequent meeting of the Directors, Sir Charles Gordon, G.B.E., was elected President, Mr. H. R. Drummond and Major-General The Honorable S. C. Mewburn, C.M.G., were elected Vice-Presidents, and Sir Frederick Williams-Taylor was appointed a Vice-President, stationed in London, England, with complete supervision of the British and European affairs of the Bank.

The Executive Committee of the Board was appointed, consisting of Sir Charles Gordon, G.B.E., Mr. H. R. Drummond, Major-General The Honorable S. C. Mewburn, C.M.G., and Mr. E. W. Beatty, K.C.

Current Events in Banking World

CANADIENNE BANK OPENS 1932 CLUB FOR XMAS SAVING

Only One of Its Kind in Canada is Now Under Way

Banque Canadienne Nationale has announced the opening of its Christmas Club for 1932 and the special pass books and branch accounting cards have gone forward to branches.

There is a choice of 7 deposit plans, the first starting with 1 cent and entailing an additional 1 cent, progressively, for each of the 50 weeks, the last deposit therefore requiring 50 cents, and the total savings amounting on November 22, 1932, to $12.75. The second is a similar plan with 5 cents as the basis, by which $63.75 is accumulated. Other plans call for fixed weekly deposits of 25 cents, 50 cents, $1, $2 or $5 respectively.

Advertise Plan

An attractive folder, which is going forward with special pass books, accounting cards and signature slips to all branches points out the advantages of the Christmas Club, in that a set objective may be selected to suit earnings and the funds required to be available at the end of the year. Interest is paid on savings at the rate of 3 per cent.

The special pass book has a double page for each plan, already printed with the date and amount of each due deposit, commencing December 15, for each week throughout the year, thus reducing the work required of the teller to the mere appending initials as each deposit is made. Another column shows the accumulated total to date.

Branches are furnished with account cards, of a different color for each deposit plan, which are printed similarly to the pass book, having a space at the top for the name and address of the depositor.

French or English

Both pass books and cards are supplied in either English or French to suit the requirements of the various branches.

The whole scheme has been drawn up with a view to making the work of tellers and accountants as light and simple as possible as well as keeping before the depositor the dates on which deposits are due, and the balance in the account at any date.

Banque Canadienne Nationale is the only bank in Canada which has instituted a complete system operating at all branches throughout the organization.

Revision of Taxes for 1932 Rumored in Saskatchewan

Announcement of the introduction by the Saskatchewan government of a provincial income tax is accompanied by rumors of contemplated increases in the gasoline tax and the corporation tax.

No definite statement has yet been made as to the scale of the new income tax, but it is understood that only incomes of $1,000 or under will be exempted. It is probable that the matter will be discussed at the conference of the three western provinces due to be held during this month at Edmonton, with a view to attaining uniformity in the schemes to be adopted by all three governments.

Meanwhile, Hon. J. W. Jones, British Columbia minister of finance, commenting on a recent prediction of Premier L. A. Taschereau of Quebec that all Canadian provinces would increase the gasoline tax, stated that there was no suggestion that the tax should be uniform throughout Canada or the west. Nothing has been decided yet, he said, in British Columbia.

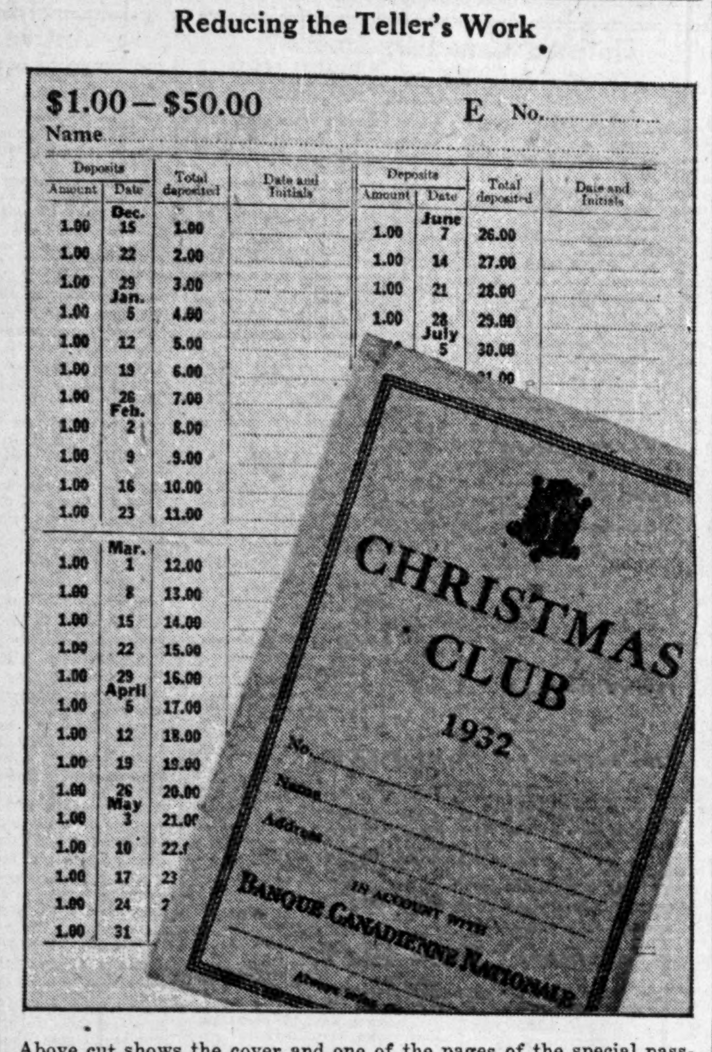
Weekly Bank Clearings

Eastern Cities	Dec. 4, 1930	Dec. 3, 1931
Halifax	$ 3,491,482	$ 3,208,342
Saint John	2,446,689	2,678,137
Moncton	1,000,453	985,631
Sherbrooke	1,070,629	799,202
Quebec	7,881,938	6,490,565
Montreal	167,457,164	147,723,464
Ottawa	7,516,362	7,625,405
Kingston	816,767	869,996
Peterboro	881,227	603,661
Toronto	128,816,126	114,782,377
Hamilton	6,557,878	5,637,034
Kitchener	1,379,135	1,036,897
Brantford	1,223,247	1,113,384
London	4,040,788	3,727,573
Chatham	641,339	629,468
Windsor	3,599,847	3,050,977
Sarnia	707,402	552,628
Sudbury	896,195	582,169
Western Cities	**Dec. 4, 1930**	**Dec. 3, 1931**
Fort William	$ 1,000,769	$ 770,903
Winnipeg	50,568,006	160,130,226
Brandon	538,999	672,055
Moose Jaw	1,137,879	826,846
Regina	4,942,597	5,660,392
Saskatoon	2,547,885	1,962,272
Prince Albert	544,802	453,739
Edmonton	5,631,870	5,456,172
Calgary	8,344,812	7,886,414
Medicine Hat	332,186	275,153
Lethbridge	552,406	458,871
New Westminster	893,375	689,683
Vancouver	18,161,472	16,251,898
Victoria	2,289,246	2,202,084

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
WESTERN ASSURANCE COMPANY
ESTABLISHED A.D. 1851

Reducing the Teller's Work



Above cut shows the cover and one of the pages of the special passbook issued by Banque Canadienne Nationale for use in connection with their Christmas Club savings plan. Other pages are drawn up in a similar manner for the six other deposit-bases, the first of which starts at one cent and increases by a cent a week, and the seventh which calls for a fixed weekly deposit of $5. In the one- and five-cent plans deposits are progressively higher each week by the basic amount.

Gov't. Security Holdings Reach All-time Peak

Dominion and Provincial Government Securities Held By Chartered Banks Now Near $500,000,000 Mark

Holdings of government securities by Canadian chartered banks reached an all-time peak in October according to returns issued this week by the Department of Finance, Ottawa. The October 31 figure is only slightly below the $500,000,000 mark at $487,908,500 an increase of about $32,000,000 from the previous month and $118,000,000 higher than the same figure a year ago. The only other important change in immediately available assets of banks is a $15,000,000 drop in foreign bank balances, traceable no doubt to the foreign exchange situation. Total assets of all banks were higher by $11,800,000 than at the end of September.

Savings deposits showed a nice gain of nearly $7,000,000 for the month and are now over $30,000,000 above the corresponding figure of a year ago. Demand deposits dropped over $13,000,000 for the month to $580,000,000. The most important change among liabilities was an increase in liabilities to the public of over $43,000,000 caused by an increase of $13,000,000 in notes in circulation; a $22,000,000 increase in balances due the Dominion government (which more than doubled to $39,794,000), and an increase in balances due provincial governments of $3,671,000. Advances under the finance act were up $5,000,000 to $24,500,000.

Credit Situation Easy

The lower volume of business being transacted in relation to money available was reflected in The Financial Post index of bank credit which shows the ratio of current and call loans in Canada at 63.6 per cent of Canadian demand and savings deposits. This is an increase of only .1 per cent for the month and is 6.3 per cent below the same figure a year ago.

The Financial Post analysis of the chartered bank statement is given below while on page 11 is printed the complete statement giving the position of each individual bank as reported to the government on October 31.

ASSETS	Oct., 1931 $	Sept., 1931 $	Change $	Oct., 1930 $	Change $
Immediately Available Liquid Assets					
Specie	69,949,595	71,496,219	— 1,546,624	69,909,253	+ 40,342
Dom. notes	111,859,982	110,387,141	+ 1,472,841	130,612,224	— 18,752,242
Gold reserve	26,730,866	24,230,866	+ 2,500,000	35,630,866	— 8,900,000
Foreign banks.	97,054,069	112,377,802	— 15,323,733	133,288,718	— 36,234,649
Foreign curr.	14,633,593	14,929,699	— 296,106	16,925,517	— 2,291,924
Govt. secs.	487,908,541	455,928,988	+ 31,979,553	369,882,659	+118,025,882
Call loans ab'd	90,743,623	90,095,595	+ 648,028	164,721,836	— 73,978,213
	898,880,269	879,446,310	+ 19,433,959	920,971,073	— 22,090,804
Loans and Securities Other Than Those of Canadian Government					
Public secs.	148,573,831	160,100,226	— 11,526,395	118,737,776	+ 29,836,055
Railway secs.	59,038,314	61,548,049	— 2,509,735	55,762,717	+ 3,275,597
Can. call loans	158,582,930	166,575,719	— 7,992,789	214,123,029	— 55,540,099
Current loans	1,140,734,029	1,136,510,527	+ 4,223,502	1,229,508,736	— 88,774,707
Loans abroad	188,942,677	192,623,032	— 3,680,355	226,192,353	— 37,249,676
Prov. & mun. loans	152,180,135	147,779,394	+ 4,400,741	113,827,018	+ 38,353,117
	1,848,051,916	1,865,136,947	— 17,085,031	1,958,151,629	—110,099,713
Other Assets					
Non-curr. loans	11,143,290	10,309,759	+ 833,531	7,606,262	+ 3,537,028
Real estate	6,271,121	6,337,205	— 66,084	5,509,424	+ 761,697
Mortgages	6,347,220	6,248,477	+ 98,743	6,783,804	— 436,584
Premises	79,546,742	79,466,204	+ 80,538	78,713,907	+ 832,835
Lets. of credit	61,778,607	62,056,921	— 278,314	85,663,488	— 23,884,881
Loans to comp.	14,468,660	14,733,840	— 265,180	11,965,927	+ 2,502,733
Other assets	1,835,788	1,700,136	+ 135,652	1,845,086	— 9,298
	181,391,428	180,852,542	+ 538,886	198,087,898	— 16,696,470
Total	2,928,323,613	2,925,435,799	+ 2,887,814	3,077,210,600	—148,886,987
Note cir. dep.	6,814,809	6,814,154	+ 655	6,790,678	+ 24,131
Int. bank bal.	122,158,938	113,198,066	+ 8,960,872	158,834,746	— 36,675,808
Gross	3,057,297,360	3,045,448,019	+ 11,849,341	3,242,836,024	—185,538,664
LIABILITIES					
To the Public					
Circulation	152,928,936	139,908,403	+ 13,020,533	160,032,748	— 7,103,812
Dom. Govt.	39,794,471	17,925,201	+ 21,869,270	65,009,181	— 25,214,710
Prov. Govt.	25,789,500	22,117,872	+ 3,671,628	37,855,109	— 12,065,609
Govt. advances.	24,500,000	19,500,000	+ 5,000,000	22,700,000	+ 1,800,000
Deposits by Public					
Demand dep.	580,592,700	594,275,249	— 13,682,549	632,566,667	— 51,973,967
Savings dep.	1,462,308,101	1,455,518,906	+ 6,789,195	1,431,864,326	+ 30,443,775
Total	2,042,900,801	2,049,794,155	— 6,893,354	2,064,430,993	— 21,530,192
Foreign dep.	301,950,691	313,097,017	— 11,146,326	374,534,608	— 72,583,917
Due to Banks Abroad, Etc.					
Un. Kingdom	3,935,465	4,939,359	— 1,003,894	6,388,170	— 2,452,705
Foreign	56,795,040	65,501,779	— 8,706,739	57,479,688	— 684,648
Bills payable	4,476,484	5,375,678	— 899,194	13,371,763	— 8,895,279
Lets. of credit	61,778,607	62,056,921	— 278,314	85,663,488	— 23,884,881
Other liab.	2,765,918	2,802,559	— 36,641	3,806,989	— 1,041,071
Public liab.	2,717,615,913	2,703,018,944	+ 14,596,969	2,891,272,737	—173,656,824
Due bet. banks	10,222,810	12,694,945	— 2,472,135	17,366,213	— 7,143,403
Liability to Shareholders					
Dividends	1,347,931	800,442	+ 547,489	2,148,369	— 800,438
Reserve	162,000,000	162,000,000	....	161,135,992	+ 864,008
Capital	144,500,000	144,500,000	....	144,948,555	— 448,555
Gross	3,035,686,654	3,023,014,331	+ 12,672,323	3,216,871,866	—181,185,212*
Credit Index*	63.6%	63.5%	+ 0.1%	69.9%	— 6.3%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

DOMINION CREDIT SCHEME OUTLINED

Loans from $200 to $1,000 Offered for Cattle Purchases Only

Activities of the newly-formed Dominion Agricultural Credit Corporation will be confined entirely to financing livestock purchases, according to an outline of the plan recently described by His Honor J. D. McGregor, lieutenant-governor of Manitoba and president of the corporation.

Small district committees of responsible citizens will be formed, he said, to pass upon local requests for loans. Livestock would be bought locally as far as possible, it not being the intention of the corporation to buy any high-priced cattle from outside sources. Loans would not be made to pay debts already incurred.

Applications for up to $1,000 per farmer would be considered, the minimum loan being $200. The purchaser would be required to pay 20 per cent of the purchase price in cash, but in the event of his not having this amount, security might be taken on other stock in his possession which was free of encumbrance. Interest at 6 per cent will be charged. Repayments would be on the basis of 30 per cent due on Oct. 1 in the first year, 30 per cent on Oct. 1 in the second year, and 40 per cent on Oct. 1 of the third year. For loans made after July 1 no payment would be expected until a year from the Oct. following.

What Editors Say of Banks

Stability of Banks

Brandon Sun.—The financial press of the United States during the last weeks of September and throughout October has remarked on the number of banks that have suspended operations. Weaknesses in the bank structure have been accentuated by loss of confidence among depositors. Solvent banks have been forced to close along with unsound ones. The currency circulation has increased to a new high point. Public confidence, shaken by bank failures, has resorted to hoarding.

In comparison with the United States' banking structure, Canada's system reflects to her advantage. It has been one of evolution and growth rather than that of creation by the government. It has developed along the branch bank system, which is peculiarly adapted to the growth of a young country. Its keynote is centralization rather than the partially centralized system of the United States. The elimination of weaker banks, amalgamations, co-operation between individual banks and supervision by the government have resulted in Canada having today a banking system that has withstood serious shocks in the present stress.

Canadian Banks

Ottawa Evening Journal.—The Canadian banking system is probably the best in the world, and the best adapted to withstand local pressure anywhere across our vast continent. From Atlantic to Pacific, bank credit is maintained uniform by the fact that each of our great banks is based upon the business of the whole country. Any stress in any section of the Dominion is met by the stability of the rest of the country.

The statement published yesterday of one of our banks, the Imperial, illustrates how strong the banks stand despite the long-continued commercial and stock-market depression. The Imperial Bank capital of seven million dollars, backed by a reserve of eight millions, shows an earning for the past year of $1,328,863. After paying the usual dividend of 12 per cent., and setting aside $250,000 as a reserve against depreciation of securities, the bank carries something to the credit of profit and loss.

Canadian banks do not earn too much. The fact that their stock pays good dividends is due to the other fact that by able management and judicious investment they have grown naturally with the growth and prosperity of the Dominion. We think it is true to say that by and large they have given fair play to all good business, and that no reasonable enterprise backed by good character ever lacks their sympathetic consideration.

Bank Chat

The Canadian Bank of Commerce announces the following appointments:

R. H. LECK, accountant at Saint John, N.B., has been appointed manager at Lunenburg, N.S.

D. FITZGERALD, assistant inspector at Winnipeg, has been appointed manager at Port Arthur, Ont.

Dominion Life Make Montreal Appointment

Dominion Life Insurance Co. announce the appointment of Benjamin W. Franklin to take charge of their English unit at Montreal.

Mr. Franklin has been connected with the Massey-Harris Co. for several years having been inspector of their agencies at Saskatoon branch in 1928 and 1929. In 1930 he was transferred to Regina in a similar capacity and from there went to Montreal as assistant manager of the Quebec branch, from which position he resigned to take over his new duties with the Dominion Life.

Quebec Workmen's Act Likely to be Amended

The Workmen's Compensation Act of Quebec may be revised in order that consideration of demands for compensation may be facilitated, according to a statement made by C. E. Sharpe, commisioner on the board, speaking at McGill University recently.

Mr. Sharpe indicated that a great deal of difficulty is encountered in obtaining proper rates to determine the amount of compensation to be awarded.

There is also the question of handling the commission funds, with the possibility that the members of the commission might tend to grade the awards commensurate with the amount of funds in the reserve.

Manager for Nova Scotia

Excelsior Life Insurance Co. confirms the promotion of F. G. Taylor, who for the past four years has been provincial manager at Saint John, N.B., to be provincial manager for Nova Scotia. Mr. Taylor is past president of the N. S. Underwriters' Association and a vice-president of the Canadian Underwriters' Association.

Insurance for Buyer and Seller

New Draft Statute Forecasts Changes For Auto Policies

"Guest" Clause is Eliminated in Model Bill For Provinces

Important advantages to the motoring public and third party claimants are contained in a new model auto legislation bill just drafted by provincial legislators and insurance company executives. The new bill is regarded as being of greater advantage to the public, since it embraces the principle that every insured motorist should be financially responsible to the victims of motor vehicle accidents and every motor vehicle liability policy should be required to contain the terms and provisions necessary to accomplish that purpose, namely to give direct protection to third parties. The standard form of automobile policy as heretofore known in Canada and prescribed by provincial law did not give direct rights to third parties against insurance companies—it has been a contract of indemnity only.

Again, the new bill sweeps away exemptions claimed by insurance companies on the grounds that the driver of an automobile involved in an accident was intoxicated or under the lawful age limit, or that the car had been mortgaged, without special permission, or that the policyholder had falsely described or knowingly misrepresented the property or any circumstance required by the written application. Also eliminated are a set of provisions entitled "exclusions from perils" under which insurance companies were not liable if the automobile was being driven with a trailer attached, or for hire or gain, or for demonstrating or testing, and so forth, by which the claims of third parties were frequently defeated.

New Principle Involved

While the insurance companies recognize that under the new form of policy they will be required to pay claims which formerly they were not, they also realize that there is a strong and irresistible public demand for the compensation of innocent victims of motor vehicle accidents and that a response to this demand is in the best interests of the business.

Another radical change in existing automobile insurance law covered by the new draft bill is the elimination of "guest" claims. These have been subject to great and increasing abuse. Collusion in varying degrees has been obvious, as evidenced by the fact that a mother will proceed against a daughter, or any one member of a family against another, to collect damages for injuries suffered when being driven; insurance companies have had no redress in such cases in which there has been flagrant collaboration, the driver always admitting negligence—which would rarely, if ever, be the case were an insurance company not involved.

Can Protect "Guests"

The new bill provides, however, that supplementary insurance can be taken out for "guests," to be effected by endorsement of the policy, at an additional premium. This is even more convenient than the English law under which a "guest" can only be insured under a separate accident policy.

The bill has now received its final grooming and is in proper form for submission to the governments of all provinces for enactment.

It was drafted by a committee appointed in September at the annual conference at Winnipeg of the Association of Superintendents of Insurance, consisting of H. G. Garrett, superintendent of insurance for British Columbia, J. C. Collinson, K.C., legislative counsel of Manitoba, and R. Leighton Foster, superintendent of insurance for Ontario.

An interim report, together with the draft bill was submitted to insurance executives early in November. Constructive criticisms, suggestions and general comment relating to the draft bill were invited and these were considered by the committee at a final meeting in Toronto, November 23-26.

The communications received indicate that the draft bill is generally acceptable to all interested persons and organizations, the main principles of the bill receiving no hostile criticism.

In Quebec, Ontario, Saskatchewan, Alberta and British Columbia, the automobile insurance legislation is part of the general statute dealing with insurance. In Manitoba it is a separate enactment. Although the new bill is drafted as a separate enactment, it is intended to be consolidated with the Insurance Acts of those provinces which enact it as a "part" relating to automobile insurance.

Forgery Insurance Gets Xmas Fillip

Forgery insurance received its annual December fillip when Lucius A. (Christmas) Parmalee did his Christmas forging early in Hamilton last week. Toronto police had just sent out a warning against this perennial crook, but in Hamilton the document containing his photograph and description had not been mailed when the $3,000 forgery was committed. This is the first time that Parmalee has committed a forgery earlier than December 20.

Already forgery insurance companies report a substantial response from prospects who are afraid that Parmalee may visit them next Christmas. The latest government blue book shows twelve companies licensed under federal jurisdiction to write this type of insurance, premiums written in 1930 amounting to $51,590 with a 55 per cent loss ratio. In 1929 the loss ratio was 98.69 per cent on a slightly higher premium.

Insurance Problems

Sun Life

We should appreciate any information regarding Sun Life as to what extent the prevailing market conditions have affected it, particularly concerning its investments in common stocks.

Do you consider this company well within the bounds of security for placing life insurance? How does it compare with other Canadian companies at the present and what are its future possibilities?

While Sun Life Assurance Company has undoubtedly suffered very drastic shrinkage in its assets as a result of the decline in security values this should cause no alarm whatever as far as holders of insurance policies in this company are concerned. The company is very well supervised under federal government supervision and has, we believe ample reserves, despite the decline in security values, to meet all its assurance obligations.

The position this company will show us as at December 31 of this year will depend largely upon what provisions are allowed by the Federal Insurance Department in relation to valuation of securities. There seems no doubt that some average valuation will be allowed which will enable the company to give a more reasonable statement of its position than would be the case if it had to take in valuation of securities as on the last day of the year.

Some indication as to the position of the company's common stock investment at the present time as compared with a year ago may be gained by an analysis of the Dow-Jones Industrial Stock Averages. At the end of December 1930 this average stood at approximately 165 while today it is now quoted at about 94 or a drop of 43 per cent. However, if a basis of valuation similar to that recommended by the Insurance Commissioners of the United States, was to be taken, namely a valuation equivalent to June 30 prices, the decline would be only about 9 per cent. The average at that date stood at about 150.

At the present time Sun Life assets, in relation to assets of other companies, have probably suffered more severely in that they reflect directly the drastic decline in prices of equity securites. Mortgages for instance are taken in at book value which gives more freedom in valuation to companies holding a considerable proportion of their assets in this type of investment.

Although this works to the disadvantage of Sun Life at the present time it is not unreasonable to believe this company should rapidly recovers its position once security values start turning upwards.

Sir C. Hyde Named Chairman Phoenix Assurance Co.

From Our Own Correspondent

MONTREAL.—Announcement has been made of the appointment of Sir Clarendon Hyde as chairman of the Phoenix Assurance Co., succeeding P. J. Pybus, who has resigned from this position consequent upon his acceptance of the office of Minister of Transport under the British National Government.

CHARTERED TRUST AND EXECUTOR COMPANY has been serving the public for twenty-five years, during which time it has acquired an enviable business reputation.

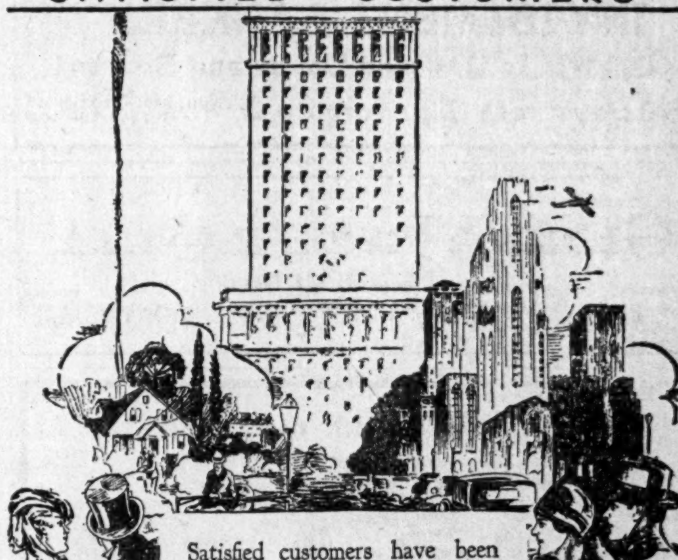
Chartered Trust and Executor Company will still be serving the public long after you have gone on the journey from whence there is no return.

Chartered Trust and Executor Company does not like to boast of its record, but does want you to know the facts. Come in at your convenience and see for yourself what courtesy, efficiency and integrity have accomplished.

CHARTERED TRUST AND EXECUTOR COMPANY
34 King St. West, Toronto 2
132 St. James St. West, Montreal, Que.
President:
JAMES Y. MURDOCH, K.C.
Vice-Presidents:
W. S. MORDEN, K.C. JOHN J. GIBSON and Gen. Mgr.
Secretary: E. W. McNEILL

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia
FIRE AUTOMOBILE WINDSTORM
Insurance in force over $200,000,000.00
Total Assets over 3,000,000.00
Agents required in Ontario
Write Eastern Branch, 2 Toronto St., Toronto, Ont.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

• SATISFIED CUSTOMERS •



Satisfied customers have been largely responsible for the progress of this Bank for over sixty years. Today, more than ever, we try to bring a human sympathy and an intimate understanding into our daily business contacts.

You will like banking at the Royal

The Royal Bank of Canada

3127

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

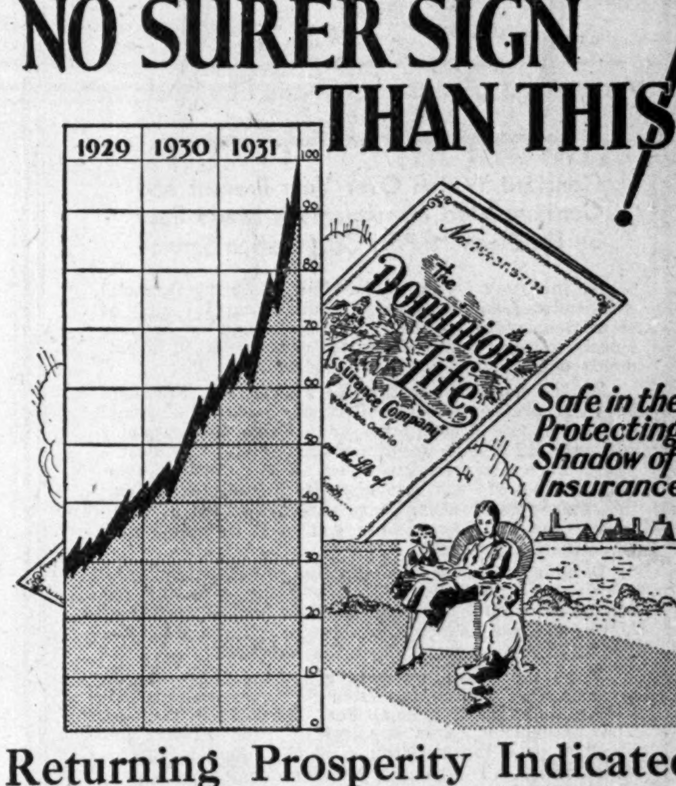
NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $5,010,673.96
ALL POLICIES NON-ASSESSABLE
Paying Dividends ranging from 25% to 40%
BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

N. S. Power Board Expands

With the opening of the eighth hydro system in Nova Scotia by the Nova Scotia Power Commission, it is stated that, the capital investment of the commission, today, is $13,500,000 as compared with $4,300,000 in 1925, and the output of kilowatt hours, today, 151,600,000 as compared with 25,300,000 in 1925.

When You Can Take It Easy
Can you look forward with assurance to the time when you will be free from the daily grind of business cares? You can—IF you own a Crown Life Income Bond.
Talk it over with a Crown Life Man
CROWN LIFE INSURANCE COMPANY
HOME OFFICE: TORONTO, CANADA

NO SURER SIGN THAN THIS!



Returning Prosperity Indicated by Life Insurance Sales

There is no surer, more concrete indication of a brighter outlook and upward trend, than in the splendid growth of Life Insurance sales.

September! October! November! Remarkable months for The Dominion Life—each month showing a great increase in new sales. We are looking toward 1932 as a year of increased prosperity and still greater accomplishment.

THE DOMINION LIFE ASSURANCE COMPANY
HEAD OFFICE - - WATERLOO, ONTARIO
Established 1889 Waterloo, Ontario

A. J. Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay street, (First Floor) Toronto, 2 Elgin: 5101-5102-5103 5104-5105-5106

GENERAL TRUST OF CANADA
Capital paid up $1,105,000
112 ST. JAMES ST., WEST MONTREAL

DOMINION TEXTILE CO., LIMITED
PRUE
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

Atlantic Sugar Refineries LIMITED
General Offices
485 McGILL STREET
MONTREAL
Refineries Saint John, N.B.

Dominion Bridge Co. LIMITED
Montreal, P.Q.
Engineers, Manufacturers and Erectors of Steel Structures
Head Office and Works: Lachine Locks, P.Q. P.O. Address, Montreal, P.Q.
Branch Office and Works: Amherst, Ottawa, Toronto, Winnipeg, Calgary, Vancouver
Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Calgary, Regina, Edmonton, Vancouver

A Continuous Study of Investments Makes for Profit

Constant Watch Over Your Present and Contemplated Investments is Made Easy by The Financial Post Corporation Service

An investment programme aiming to bring financial independence can be successful only by careful study of securities before purchases are made and by keeping closely in touch with the position of the selected investments once commitments are made.

At the moderate cost of $5 a year The Financial Post Corporation Service will supply you with a special service on any 4 companies you select; 10 companies cost only $12 a year; additional companies, $1.20 a company. Such a service gives you, in card form, a complete review of each company—its history, capitalization, management, seven years' earnings record, dividend record and all other points you need to make your investigation thorough.

In addition, the service supplies you throughout the year with current items of importance affecting the companies whose securities you select. The review of Montreal Power, illustrated above, is a 12-page booklet giving important facts about the company.

Many individual investors are using these special services, thus benefiting from the investigations and research of The Financial Post Corporation Service. The information cards supplied in these services are identical with those contained in the complete service which covers all important Canadian companies and is priced at $20 a month.

Secure a service on the companies in which you are interested.

$5 a Year for 4 Companies
$12 a Year for 10 Companies
Additional companies — $1.20 a company.

The Financial Post Corporation Service
143 University Avenue, Toronto

THE FINANCIAL POST CORPORATION SERVICE, 143 University Avenue, Toronto.
Please send me postpaid special yearly service on the attached list of ..... companies. I enclose cheque for $.....
Please send me further particulars and sample card on .....
Name .....
Address .....

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING DECEMBER 7

Range 1931 High	Low	Divd. Rate	Yield in % Dec. 5		Sales	Close Nov. 30 (or last)	Week Ending Dec. 7 High	Low	Close
10	2			Abitibi, c.	380	3	3	2	3
35	7			Do. pref.	85	11	14	10	11
105	80	7	8.4	Agnew Surp. c.		80			
[illegible]				Alta. Pac. Gr.					
[illegible]				Amal. Electric					
[illegible]				Anglo N. Hold.					
[illegible]				Asbestos					
[illegible]				Assoc. Brew.					
[illegible]				Assoc. Can.					
[illegible]				Assoc. Tele.					
[illegible]				Atlan. Sugar					
[illegible]				Bk. Can. Nat.					
[illegible]				Bk. Montreal					
[illegible]				Bk. N. Scotia					
[illegible]				Bk. of Toronto					
[illegible]				Barcelona Tr.					
[illegible]				Bathurst Pr.					
[illegible]				Bawif Grain					
[illegible]				Beath & Sons					
[illegible]				Beatty Bros.					
[illegible]				Beauharnois					
[illegible]				Belding Cort.					
[illegible]				Bell Telephone					
[illegible]				Biltmore Hats					
[illegible]				Bissell, T. E.					
[illegible]				Blue Ribbon					
[illegible]				Brant. Cd. pf.					
[illegible]				Brazilian Tr.					
[illegible]				Brewing Corp.					
[illegible]				Brew. & Distil.					
[illegible]				B.C. Packers					
[illegible]				B.C. Power					
[illegible]				Bruck S. Mills					
[illegible]				Building Prod.					
[illegible]				Burt, F. N.					
[illegible]				Calgary Pr.					
[illegible]				Canada Bud					
[illegible]				Can. Cement					
[illegible]				Canada Dry					
[illegible]				Can. Forg. (A)					
[illegible]				Canada Iron					
[illegible]				Canada Life					
[illegible]				Can. Malting					
[illegible]				Can. Nor. Pr.					
[illegible]				Can. Paving					
[illegible]				Can. Perman.					
[illegible]				Can. Steamsh.					
[illegible]				Can. Vinegar					
[illegible]				Can. W. Cable					
[illegible]				Can. Bakeries					
[illegible]				Can. Bk. Com.					
[illegible]				Can. Bronze					
[illegible]				Can. Canners					
[illegible]				Can. Car & F'y					
[illegible]				Can. Celanese					
[illegible]				Can. Convert.					
[illegible]				Can. Cottons					
[illegible]				Can. Dredge					
[illegible]				Can. Fairb. pf.					
[illegible]				Can. Gen. Elec.					
[illegible]				Can. Ind. Alc.					
[illegible]				Can. Int. I. Tr.					
[illegible]				Can. Lt. & Pr.					
[illegible]				Can. Locomo.					
[illegible]				Can. Marconi					
[illegible]				Canadian Oil					
[illegible]				Can. Pacific					
[illegible]				C. Pr. & Pa. In.					
[illegible]				Can. Vickers					
[illegible]				Can. Wineries					
[illegible]				Can. Wire Box					
[illegible]				Catelli Mac. A.					
[illegible]				Cent. Can. L'n					
[illegible]				Ch'm. Research					
[illegible]				Cities Service					
[illegible]				Cockshutt Plow					
[illegible]				Comm. Alcohol					
[illegible]				Conduits					
[illegible]				Cons. Bakeries					
[illegible]				Cons. Food Pr.					
[illegible]				Cons. Industr.					
[illegible]				Cons. Press					
[illegible]				Cons. Sand, pf.					
[illegible]				Cons. Smelters					
[illegible]				Consumers Gas					
[illegible]				Cooksville Co.					
[illegible]				Corporate Secs.					
[illegible]				Corr. P. Box, pf.					
[illegible]				Cosgrave Br.					
[illegible]				Cosmos Imp.					
[illegible]				Crown Dom. Oil					
[illegible]				Crow's N. Coal					
[illegible]				David & Fre. B					
[illegible]				De Havilland					
[illegible]				Disher Steel					
[illegible]				Distill.-Seagram					
[illegible]				Dominion Bank					
[illegible]				Dom. Bridge					
[illegible]				Dom. Coal					
[illegible]				Dom. Engineer.					
[illegible]				Dom. Found.					
[illegible]				Dom. Glass					
[illegible]				Dom. Motors					
[illegible]				Dom. Pr. Stub					
[illegible]				Dom. St. & Coal					
[illegible]				Dom. Stores					
[illegible]				Dom. Tar & Ch.					
[illegible]				Dom. Textile					
[illegible]				Donnacona					
[illegible]				Dryden Paper					
[illegible]				Duff. Paving					
[illegible]				East. Dairies					
[illegible]				East. Steel					
[illegible]				East. Koot. Pr.					
[illegible]				East. Theatres					
[illegible]				Easy Washer					
[illegible]				Economic Inv.					
[illegible]				Edmonton Cy.					
[illegible]				Enam. & Heat.					
[illegible]				Eng. Electric					
[illegible]				Fam. Players					
[illegible]				Fanny Farmer					
[illegible]				Federal Distil.					
[illegible]				Firstbrook Box					
[illegible]				Ford Motors A					
[illegible]				Fdn. Pr. Secs.					
[illegible]				Foundation Co.					
[illegible]				Fraser Cos.					
[illegible]				Fron. Brew. pf.					
[illegible]				Gen. St. Wares					
[illegible]				Goodyear Tire					
[illegible]				Gould Pumps pf.					
[illegible]				Gt. W. Saddlery					
[illegible]				Gypsum, Lime					
[illegible]				Ham. Bridge					
[illegible]				Ham. U. Theat.					
[illegible]				Hayes Wheel					
[illegible]				Hillcrest Coll.					
[illegible]				Holt Renfrew					
[illegible]				Hinde & Dauch					

Range 1931 High	Low	Divd. Rate	Yield in % Dec. 5		Sales	Close Nov. 30 (or last)	Week Ending Dec. 7 High	Low	Close
[illegible]				Honey Dew					
[illegible]				H. Smith Pap.					
[illegible]				Humberstone S.					
[illegible]				Hunt (A)					
[illegible]				Huron & E. M.					
[illegible]				Hydro Electric					
[illegible]				Imperial Bank					
[illegible]				Imperial Oil					
[illegible]				Imperial Tob.					
[illegible]				Intercol. Coal P.					
[illegible]				Int. Hyd. E. (A)					
[illegible]				Inter. Milling					
[illegible]				Inter. Nickel					
[illegible]				Int. P. & P. A.					
[illegible]				Inter. Paints					
[illegible]				Inter. Petrol.					
[illegible]				Inter. Power					
[illegible]				Int. Util. (A)					
[illegible]				Jam. Pub. Ser.					
[illegible]				Kelvinator					
[illegible]				Kng. Ed. Hotel					
[illegible]				Lake of Woods					
[illegible]				Landed Bank.					
[illegible]				Laura Secord					
[illegible]				Lindsay, C. W.					
[illegible]				Loblaw (A)					
[illegible]				Loew's, London					
[illegible]				MacKin. Steel					
[illegible]				Manitoba Pr.					
[illegible]				Maple Leaf					
[illegible]				Marcus Loew's					
[illegible]				Massey-Harris					
[illegible]				McColl Fron.					
[illegible]				Mexican L. & P.					
[illegible]				Mercury Mills					
[illegible]				Mitchell, J. S.					
[illegible]				Mitchell, Robt.					
[illegible]				Monarch Knit.					
[illegible]				Montreal Cot.					
[illegible]				Montreal Exhib.					
[illegible]				Mont. L. & P.					
[illegible]				Montreal Loan					
[illegible]				Mont. Trams.					
[illegible]				Moore Corp.					
[illegible]				Mt. Royal Hot.					
[illegible]				Mutcheads					
[illegible]				Nat. Brew.					
[illegible]				Nat. Brick					
[illegible]				Nat. Distiller.					
[illegible]				Nat. Steel Car					
[illegible]				National Trust					
[illegible]				Niag. W. Wear					
[illegible]				North Star Oil					
[illegible]				N.S. Steel, pf.					
[illegible]				Ogilvie Flour					
[illegible]				Ontario Loan					
[illegible]				Ont. Silknit					
[illegible]				Ont. Steel					
[illegible]				Orange Crush					
[illegible]				Ott. L. H. & Pr.					
[illegible]				Ott. Traction					
[illegible]				Page Hersey					
[illegible]				Paramount					
[illegible]				Penmans					
[illegible]				Perfec. Glass					
[illegible]				Photo Eng.					
[illegible]				Port Alfred, pf.					
[illegible]				Porto Rico pf.					
[illegible]				Power Corp.					
[illegible]				Prairie C. Oil					
[illegible]				Pressed Metals					
[illegible]				Price Bros.					
[illegible]				Quebec Power					
[illegible]				Real Estate Ln.					
[illegible]				Regent Knit.					
[illegible]				Reliance Grain					
[illegible]				River S. Mills					
[illegible]				Robinson Cons.					
[illegible]				Rogers Majest.					
[illegible]				Royal Bank					
[illegible]				Ruddy, E. L.					
[illegible]				Russell Motor					
[illegible]				Sarnia Br. (A)					
[illegible]				Serv. Sta.					
[illegible]				Shawinigan					
[illegible]				Sher.-Wms.					
[illegible]				Simpsons Ltd.					
[illegible]				Simpson, Robt.					
[illegible]				St. Law. Corp.					
[illegible]				St. Law. Flour					
[illegible]				St. Law. Paper					
[illegible]				St. Maur. V. P.					
[illegible]				St. Pav. & Mat.					
[illegible]				Stanfords					
[illegible]				Stand. Chem.					
[illegible]				Stand. Steel					
[illegible]				Steel of Can.					
[illegible]				Sterling Coal					
[illegible]				Sup. Pet. ord.					
[illegible]				Tamblyn					
[illegible]				Trayers, pref.					
[illegible]				Tip Top Tailors					
[illegible]				Tooke Bros.					
[illegible]				Tor. Elevators					
[illegible]				Tor. Gen. Tr.					
[illegible]				Toronto Mtge.					
[illegible]				Traymore					
[illegible]				Tuckett Tob.					
[illegible]				Twin City					
[illegible]				Union Gas					
[illegible]				Union Trust					
[illegible]				United Fuel					
[illegible]				United Secs.					
[illegible]				Viau Biscuit					
[illegible]				Wabasso Cot.					
[illegible]				Walker-Good.					
[illegible]				Waterloo Mfg.					
[illegible]				Weston Bisc.					
[illegible]				West. Cdn. Flour					
[illegible]				West. Grocers					
[illegible]				W. Steel Pr.					
[illegible]				Whittall Can.					
[illegible]				Windsor Hotel					
[illegible]				Winnipeg Elec.					
[illegible]				Wood, Alex. Jr.					
[illegible]				Zimmerknit					

† Quotations for 1930. No sales recorded in 1931 to date.
a Or payable in stock.
b New York Quotations.
‡ Quotations for 1929.
c 2c monthly plus stock dividend of ½ of 1% monthly.
d 4% in stock and 50c cash.
† Plus stock bonus.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)

December 8, 1931

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.28	.48
Acadia Sugar pfd.	2.00	2.60
Allens Coll. pfd.	31.00	
Allens Loan	31.00	
Anglian Nat. Corp.	22.00	26.00
B.C. Pulp & Paper com.	1.50	4.00
Can. & Dom. Sugar		
Can. Biscuit pf.		8.00
Can. Mach. c.	16.00	19.00
Can. Mach. 7% pf.	58.00	68.00
Can. Pack. 7% pf.	83.50	92.50
Can. Starch pfd.	70.00	
Can. Wire & Cable	37.00	
Can. Celanese pf.	89.00	95.00
[illegible]		

	Bid	Asked
Canada Nat. Fire	19.00	25.50
Can. Fire Ins.	67.00	84.00
Capital Life 20% pd.		
Confederation Life		
Continental Life	175.00	210.00
Crown Life	125.00	160.00
Dominion Fire	95.00	120.00
Dominion of Can. Gen. Ins.		
Dom. Life	175.00	210.00
Excelsior Life	280.00	350.00
Fed. Fire	100.00	124.00
Fidelity Ins. of Canada		
Gt. West Life	375.00	425.00
Guarantee Co. of N. A.		
[illegible]		

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Assoc. Telephone & Tel. "A"				
Agnew Surpass pfd.				
Andian National				
Associated Breweries				
Do., pref.				
Bank of Nova Scotia				
Bell Telephone				
Brazilian Traction pfd.				
B. C. Power "A"				
Biltmore Hats, pref.				
Belding Corticelli, pref.				
British American Oil				
Brandram Henderson pfd.				
British Mortgage & Trust				
Canada Bud Breweries				
Canada Permanent Mtge.				
Canada Cement pref.				
Canadian Oil, pref.				
Can. Wire & Cable "A"				
Do., "B"				
Can. Pacific Railway, ord.				
Chemical Research				
Canada Northern Power				
[illegible]				

Dividends Passed or Deferred:
Can. Bakeries, 1st pref. Dec. 15, deferred. Last paid 1% Sept. 15, 1931.
Ford Motor of Canada, Dec. 20. Last paid 60c. June 20.
Gould Pumps, com., Jan. 2, passed. Last paid 1½% Oct. 1, 1931.
Winnipeg Electric, pref. Jan. 1 deferred. Last paid 1¾% Oct. 1, 1931.

Dividend Rate Reduced:
Canada Wire & Cable "B" Dec. 15, 25c. Reduced from $1.75 to $1 per annum.
Canadian Canners, com. Jan. 2, 5c. Reduced from 50c. to 20c. per annum.
Do., convertible, pref. Jan. 2, 17c. Reduced from 50c. to 68c. quarterly.
Dominion Glass, com. Jan. 2. Reduced from 1¾% to 1%.
Hiram Walker, Dec. 15. Reduced from 12½c. to 6¼c. quarterly.
International Nickel, com., Dec. 31, 5c. Reduced from 10c. to 5c. quarterly.

Extra Dividends:
Lake Shore Mines, Dec. 15, 50c.
Midland Loan & Savings, Jan. 2, 2%.
Dominion Stores, Jan. 2, 30 cents per share.
Wright Hargreaves, Jan. 2, 2½ cents per share.
Central Canada Loan & Savings, Jan. 2, 2% bonus.

Active Current Bond Prices

November 30, 1931

	Bid	Asked	Yield
Dominion of Canada 5½/33	99.50	101.50	4.79
Dominion of Canada 5/34	99.50	101.50	
Dominion of Canada 5/43			
Dominion of Canada 4½/56			
Dominion of Canada 4½/58			
C. N. R. (Dom. of Can. Guar.) 5/54			
C. N. R. (Dom. of Can. Guar.) 4½/51			
C. N. R. (Dom. of Can. Guar.) 4½/55			
C. N. R. (Dom. of Can. Guar.) 4½/56			
C. N. R. (Dom. of Can. Guar.) 5/69			
Province of Ontario 4½/44			
Province of Ontario 5/43			
Province of Ontario (Hydro) 4½/70			
Province of Quebec 4½/58			
[illegible]			

Listed Bond Quotations

Week Ending December 7

Montreal	Int. Rate	Due	Latest Yield	Ask	High	Low	Range 1931 High	Low
Abitibi, 1st mtge.	5	1953						
Asbestos								
[illegible]								

x—Quotations for 1930. None recorded in 1931 to date.

Active Provincial & Municipal Bonds

Quotations furnished by A. E. Ames & Co., Ltd., Canada Permanent Bldg., Toronto, Ont.

Provinces	Rate	Actual Maturity	Int. Date	Approx. Price	Approx. Yield %
Alberta					
Alberta					
British Columbia					
British Columbia					
Manitoba					
Manitoba					
New Brunswick					
New Brunswick					
Nova Scotia					
Nova Scotia					
Ontario					
Ontario					
P. E. I.					
Quebec					
Quebec					
Saskatchewan					
Saskatchewan					
Cities					
Montreal					
Toronto					
Vancouver					
Winnipeg					
Edmonton					
Calgary					
Halifax					
Saint John					
Regina					
Victoria					
Quebec					

Winnipeg Stock Exchange

December 4, 1931

	Bid	Ask
Beaver Fire		115
Beaver Lumber c.		5½
Do., pref.		
Can. Amer. Tr. shs.		
Can. Fire Ins.		
Can. Indemnity		120
Crescent Creamery pfd.		90

	Bid	Ask
Gt. West Life	375	390
Home Investment		
Monarch Life		
Northern Mtge.		
Un. Gr. Growers		
West Breweries		

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

PROFIT SHOWN BY CANADA DRY IS $3.33 A SHARE

Liquid Position is Further Strengthened; Unit Sales Up

Canada Dry Ginger Ale Inc. earned $3.33 per share on 505,289 shares outstanding at the end of the fiscal year ended September 30, 1931, against dividend rate of $3 per share and in comparison with $6.64 earned in 1930. Ratio of current assets to current liabilities was increased to 6.2 to 1 from 4.19 to 1 with cash position improved and current liabilities lower. While dollar sales dropped from $13,046,-511 in 1930 to $10,507,585 in 1931 actual shipments were in excess of the previous year.

Of the $3.33 earned per share 38 cents was realized from sale of Seely Co. real estate and without this non-recurring item earnings per share would have been $2.95. No deduction was made from income of $75,647 representing write-down of current assets of the Canadian company due to depreciated value of the Canadian dollar at September 30 but this item was regarded as a charge against surplus. With return of the Canadian dollar to parity a considerable portion of this write-off will be regained for surplus account.

The income and surplus account of the company in the past two fiscal years is as follows:

INCOME AND SURPLUS ACCOUNT
As at September 30

	1931 $	1930 $
Net earn.	2,148,852	4,102,397
Less: Deprec.	281,591	288,196
Interest	966	....
Income taxes	180,680	411,975
Net profit	1,685,614	3,402,225
Less: Dividends	1,521,141	2,557,004
Surp. for year	164,473	845,221
Add: Prev. surp.	4,676,563	3,989,506
Less: Adjust. of working capital for deprec. of Can. exchange	75,647	....
Misc. items	66,006	158,165
Surplus forward	4,699,383	4,676,563

As at April 1, 1931, the company reduced prices of its product and wholesale and retail customers were reimbursed for their inventory losses by shipment of additional Canada Dry ginger ale rather than by cash. This shipment has not been credited to sales but has been considered only as a charge against operating expense. Cost of sales for the year was down to $8,-473,381 from $8,911,151. Miscellaneous income increased to $357,-709 during the year from $237,678 the previous year.

The balance sheet shows current assets of $5,185,475 as compared with $5,810,957 in 1930 due chiefly to reduction of accounts receivable to $1,373,427 from $2,217,885. Cash at $992,584 compares with $1,061,-735 in 1930 but investments have been increased to $2,212,768 from $1,293,698. These investments are in high grade bonds carried at cost which is somewhat under market price at September 30, 1931. Inventories have been increased to $706,696 from $522,741. Dealers' stocks are reported as being low.

Other than current assets, there remain fixed assets which are carried at $3,171,358 against $3,477,566 in 1930. Treasury stock purchased for future sale to employees, amounting to 7,344 shares, is valued at $391,205. Deferred charges amount to $293,712.

Current liabilities consist of accounts payable of $197,719; dividends payable of $384,473 and accrued accounts at $182,823. All of these items are considerably lower than in 1930 which included taxes, wages and miscellaneous items are carried at $76,274 against $63,022 in 1930. Customers deposits are down to $60,205 from $104,637 and reserves for contingencies have been increased by $4,406 to $144,406. There are 512,631 shares of stock of which 7,344 is held for employees. Stock outstanding is valued at $3,296,466. Surplus has been increased to $4,699,383 from $4,676,563.

CONFIDENCE

The placing of your order for bonds, stock certificates, or municipal debentures is a great responsibility.

Your documents must be protected against loss or over-issue.

You can place your order in our care with full confidence that your interests are thoroughly safeguarded.

BRITISH AMERICAN BANK NOTE COMPANY - LIMITED

Montreal Ottawa Toronto

Now is the time

to become a regular subscriber

You cannot afford to miss the issues during the coming months. Articles of vital interest to Business Men and Investors will be published, which alone will be worth the subscription price of $5.00.

As a subscriber —

You are entitled to a personal reply from the Investment Editor regarding any Canadian Investments in which you are interested.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please send me The Financial Post for the next year (52 issues), this to entitle me to obtain by letter, a personal reply from the Investment Editor to enquiries regarding my Canadian investments in which I am interested, by simply enclosing a stamped return envelope. I enclose $5.00.

Name ....

Occupation ....

Address 881

Warns Business Executive Against Faith in Forecasts

Canadian Economist Thinks Most Forecasters Are at Best "Lucky Guessers"—Believes Graphs "Dangerous Tools" Unless Cautiously Used

Contributed to The Financial Post, by a Canadian Economist and Statistician

I think that we have all been disappointed in the possibilities of business forecasting. From the last lucky guess of Roger Babson in September, 1929, to the comments of the present time, I can think of a few penetrating statements on business probabilities in the intervening period which deserve a place in any collection of correct forecasts. Even so stolid a citizen of the United States as Calvin Coolidge—cautious and taciturn in most circumstances—was swept away by the virus of the new era in his final message to Congress in December, 1928, when he said:

"The great wealth created by our enterprise and industry, and saved by our economy, has had the widest distribution among our own people, and has gone out in a steady stream to serve the charity and business of the world. The requirements of existence have passed beyond the standard of necessity into the region of luxury. Enlarging production is consumed by an increasing demand at home, and an expanding commerce abroad. The country can regard the present with satisfaction and anticipate the future with optimism."

Mighty Experts Err

As an example of erroneous forecasting we have the prediction of Dr. Warren M. Persons, whom I regard highly for his scientific attitude, and who holds an unusually high place in economic circles. With Col. Leonard P. Ayres of The Cleveland Trust Co., these two business scholars have done invaluable work in historical business research, carrying their records of business movements to 1790, in the case of Ayres, and to 1875 in the case of Persons. Yet both have failed in taking account of what may be exceptional elements in the present depression. For example, Persons in his book "Forecasting Business Cycles"—a book dedicated to strictly scientific inquiry into the behaviour of business, makes the following statement:

"On the basis of precedents of previous major depressions in the United States, having similar general economic backgrounds (1921, 1908 and 1884) we would expect:

(a) the present depression to have a "trough" of 5 to 7 months from July-September, 1930, and the trough to terminate some time between January and March, 1931.

(b) an upturn of business to follow between February and April,

(c) recovery to proceed thereafter for a year or two longer without important interruption and

(d) normal business to be attained in the first half of 1932.

If anyone should know intimately the course and probabilities of American and world business, it should be Dr. Julius Klein, Assistant Secretary of the U.S. Department of Commerce. He has an able staff of economists and statisticians; he has undoubted ability himself. Yet here are a few of his remarks in recent years:

"May 1, 1930—Business is gradually, but unmistakably coming out of the depression.

"Sept. 26, 1930—There seems to be a fairly good chance that the United States will be out of the current economic depression by the end of October.

"Dec. 31, 1930—Following the publication of corporation financial statements during the opening months of the new year, conditions will steadily improve all along the business front.

"Mar. 19, 1931—The long decline has at last been halted.

"June 9, 1931—Depression has ended—the valley usually runs across six or seven months. If history repeats itself, this means that in July, up we go!"

Not Mechanical Science

Now what I am trying to emphasize is the folly of swallowing even the most scientific analysis respecting the probable course of business. If I had the time to make notes from the files of the New York Times over the past three years I could doubtless find the errors of every prominent man in the United States and Canada. I am not condemning these men for their errors—far from it. I may criticize Pollyanna and her school of professional optimists; I may sympathize with the false prophets of good faith, but condemnation is not necessary.

What we must realize is that the science of statistics is not a mechanical science—and I have been at pains to condemn in good times and bad the mechanical concepts of the Harvard school, as demonstrated in Persons' forecasts, and the unwarranted use to which the fictitious norms, long-term trends, cyclical variations and other tricks in the statisticians' bags may be put by those not fully aware of the limitations of refined statistics.

If this depression accomplishes nothing else, it will have served a good purpose in pointing out the impossibility of over-simplifying our statistical series, the errors of precedential applications in our business analyses, and the mistakes of measuring mechanically for comparative purposes, the depth and amplitude of business cycles. In a word, what is an important lesson of the depression is a new realization of the limitations of statistical data. We now know that statistics are merely the tools of judgment, and not, as many so-called economists have supposed, the eliminator of judgment.

Mostly Glorified Guesses

This is not, of course, a new thought in any sense, but it is my impression that throughout the period of business decline it has been honored more in the breach than in the observance. Virtually every person who has tried to make a lucky guess at calling the turn has looked at an historical series of related business indexes from which seasonal variation and secular trend have been eliminated, and by measuring the depth and amplitude of previous "sub-normal" movements has felt justified in making a comparison with the present movement to call a turn. Some have been more honest than others, some have drawn partially on their judgment, but it is my guess that most of our predictions have been glorified guesses with little hard thinking behind them.

My own approach to a consideration of business probabilities is thus limited by an inherent distrust of the unlimited possibilities of statistics.

Another feature of business forecasting upon which I feel strongly is that our concept of business unity is erroneous.

It is a modern practice among statisticians to attempt to simplify as far as possible their ideas of business movements and to organize their statistical data in such a way that they will express this simplified view. Thus, we have indexes of stock market movements and indexes of business activity which show the so-called "trends" in their particular fields. I am not one to deny any usefulness to such a series—yet for the professional economist I am afraid there is a danger in too great reliance upon these. I take it that the economic justification of the individual financial or business economist is his ability to make money, either for himself or for his employers and I am not convinced that much of the data with which he now concerns himself will accomplish that purpose.

In other words, the sphere of the professional economist, in so far as it is related to money-making, is a sphere limited in most part to the particular elements which will aid him in that task. In brief, I can see little benefit to any ability to "call the turn" in any general sense, and it is only in exceptional and relatively infrequent periods such as in 1929 that business movements are of such a sweeping character that ability to call the turn is remotely related to money-making.

The point is that the job of the economist is a specialized job related to business forecasts in particular lines as will make money in those lines. Generalized forecasts may be indulged in in leisure moments or left to newspaper editors, ministers of the Gospel and politicians whose job is to keep public spirits high and who take a special delight in sparkling generalizations.

A Dangerous Tool

In brief, my thesis is that the picture of business as a whole as visualized by a line or two on a chart is a dangerous tool for most men—it is useful if it is properly used but its limitations seem to be realized by relatively few. Business movements are not uniform movements—on the contrary they are singularly full of friction.

It is for this reason that I can conceive of no single bottom for business or the stock market. Break up the component elements in your market averages or in your indexes of industrial production and you will find much variation in "trend" and a succession of tops or bottoms—in some cases years apart.

Nova Scotia Steel Plants Show Quickened Activity

Some slight quickening of activity at Sydney, N.S., plants of the Dominion Steel and Coal Co., is reported as at the beginning of the present month. Two open-hearth furnaces, the blooming mill and coke ovens are in operation and indications are that one of the blast furnaces will be brought into operation within a very short time.

There are now between 900 and 1,000 men employed, and it is understood that if the company is successful in obtaining a foreign contract, of fairly substantial proportions, upon which it has recently tendered, there is every prospect that these will be retained on full time for a good part of the winter.

DOM. BAKERIES TOOK BIG LOSS IN PAST YEAR

Amounted to $116,617 After Charges; Competition Felt

Operations of Dominion Bakeries Ltd., controlled by Maple Leaf Milling Co., resulted in a loss of $116,-617 in the year ended August 31, 1931, after provision for depreciation and bad and doubtful accounts. On the same basis, the company had a loss of $7,510 in the preceding year. Intense competition in the baking industry is stated to have resulted in lower prices for bread which were insufficient to cover costs. Various savings in expenses have been introduced including arrangements whereby management is assumed by Maple Leaf Milling Co. without cost.

Net loss from operations during the year was $57,375 which was further increased by increased provision for depreciation and bad and doubtful accounts. Since the surplus carried forward from 1930 was only $5,795, a debit balance for 1931 of $110,822 was carried forward to the present fiscal year and is deducted from capital in the balance sheet. The details of income and surplus account for the past three fiscal years are as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended August 31

	1931 $	1930 $	1929 $
Net op. profit	*57,375	31,842	90,378
Less:			
Deprec.	38,189	33,352	10,601
Income tax	.....	.....	4,347
Bad debt res.	21,052	6,000	.....
Net prof. or loss	*116,617	*7,510	75,430
Less: Pfd. divds.	.....	47,125	37,375
Surplus for year	†116,617	†54,635	38,055
Add: Prev. surp.	5,795	38,055	.....
Trans. from gen. res.	.....	33,250	.....
Less: Res. for redem. of 1st pfd. stock	.....	10,875	.....
Balance forward	‡110,822	5,795	38,055

*Loss. †Deficit. ‡Debit balance.

While cash position of the company has improved during the past year there is a greater deficit in working capital. Cash amounted to $35,519 at August 31, 1931, as against $6,032 in 1930, while accounts receivable are up to $82,075 from $76,202, but inventories are down to $31,963 from $50,213, giving a total of current assets of $149,558. Current liabilities amount to $227,801, of which $11,781 is in bank loan, $215,415 is in accounts payable and $604 is reserve for outstanding tickets.

Fixed assets based on depreciated replacement values of August, 1929, plus additions at cost are shown at $774,826. Against this item a reserve for depreciation is carried among liabilities at $69,328. Goodwill, trademarks, etc., are valued at $300,055 and deferred charges to operation amount to $6,709.

In addition to current liabilities, reserve for bad and doubtful accounts is $27,934, reserve for depreciation is $69,328 and reserve for service of first preferred stock is $10,875. There are 7,250 shares of $100 par value first preferred stock outstanding; 2,100 shares of $100 par value second preferred stock and 25,007 shares of no par value which are carried at $71,030. Entire capital is carried at $1,006,030 from which is deducted debit balance of $110,822.

Dividends are cumulative on the first preferred shares outstanding since September 1, 1930, and on the second preferred shares from March 1, 1930. Majority of the second preferred and common stock is owned by Maple Leaf Milling Co. The annual meeting is to be held on December 21 and preferred shares will have voting power.

Good Prices Obtaining In U.K. For B.C. Apples

With the advent of colder weather the bulk movement of British Columbia apples to the prairie provinces which reached unusual proportions this season is closed, says a recent report from Penticton, B.C.

Many growers are inclined to think that too large a proportion of the season's crop was moved in bulk before the Associated Growers stopped such sales on November 5, continues the report, and there is a real possibility that there are not enough apples remaining in the Valley to supply future demands.

Sales of British Columbia apples in British markets are being helped by the drop in the exports of boxed apples from Washington State, following cancellation of orders when the purchasing power of the pound sterling dropped, and prices realized have been well above expectations. A continued good demand from the British markets is anticipated throughout the remainder of the marketing season.

Goulds Pumps Omits Dividend on Common

From Our Own Correspondent

MONTREAL. — No dividend has been declared on the common stock of Goulds Pumps, Inc., ordinarily payable January 1, though the regular disbursement has been declared on the preferred shares. Deferment of common dividends was foreshadowed earlier in the year when the former rate of 8 per cent was cut in half following a marked reduction in earnings in 1930.

In that year there was a deficit of $98,027 after all charges while payment on dividend account increased this to $210,152. Surplus has been reduced to $1,252,483. Shares of the company are listed on the Montreal Stock Exchange but these seldom make their appearance in trading. Goulds Pumps operate a plant at Seneca Falls, N.Y.

Established 1889
J. P. LANGLEY & CO.
C. P. ROBERTS, C.A.
Chartered Accountants
G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Bldg., Toronto

Canadian Quotations—Cont'd

Winnipeg Grain Prices

Week to December 8

Crop Year from Aug. 14 High	Low		Open Dec. 2	High for week	Low for week	Close Dec. 8
		Wheat				
.72¾	.51½	December	.61⅛	.61⅛	.58⅜	.58⅞
.76½	.55⅛	May	.65¾	.65¾	.62⅝	.63
.77⅛	.61¼	July	.66¼	.66⅝	.63⅜	.63¾
		Oats				
.36½	.25⅜	December	.31¾	.32	.30¼	.30½
.38	.28	May	.34⅝	.34¾	.33¼	.33⅜
.37½	.33	July	.35¼	.35¼	.34	.34
		Barley				
.45½	.28⅛	December	.41¼	.41¼	.37½	.37½
.47¾	.32¼	May	.43⅝	.43⅝	.39¾	.40
.45¼	.39½	July	.43¼	.43¼	.39½	.39½
		Flax				
1.27	.92½	December	1.04	1.04¼	.99	.99
1.21	.97½	May	1.08	1.09	1.04¼	1.04½
1.16½	1.00½	July	1.09	1.09½	1.04½	1.04½
		Rye				
.56	.32½	December	.46¼	.46¼	42½	.42½
.59⅛	.32½	May	.49½	.49½	.46	.46¼
.59	.45⅞	July	.50¼	.50¼	.47	.47

Foreign Exchange

	New York Funds High (Premium)	Low	Last Year High (Discount)	Low
December 2	15 7-8	16 1-8	Par	1-32
December 3	16 1-2	15 7-8	1-64	1-32
December 4	17 3-8	16 3-8	1-32	3-64
December 5	18	17 3-8	3-64	1-16
December 7	19 7-16	18	1-32	3-64
December 8	20	19 1-4	1-64	3-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
December 2	3.34 1-2	3.91 3-16	5.14 1-4
December 3	3.35 1-2	3.91 9-16	5.14 1-4
December 4	3.32 1-2	3.91 11-16	5.12 3-4
December 5	3.30 3 4	3.91 9-16	5.12 1-4
December 7	3.25 1-2	3.91 9-16	5.11 3-4
December 8	3.25 3-4	3.91 13-16	5.12 1-4

FOREIGN EXCHANGE

Par		Nov. 24	Dec. 1	Dec. 8
5.26	Italian	5.85¾	5.97¾	6.14¾
23.80	German	27.01¾	27.60½	28.11¾
13.90	Belgian	15.82	16.07	16.66
49.80	Japanese	56.49	57.54	59.66

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week to December 8

High to date	Low to date		Close Dec. 1	High for week	Low for week	Close Dec. 8
		Wheat				
.70½	.50¾	December	.57½	.56	.51	.51
.72	.57¾	May	.60¾	.59⅞	.57⅞	.57⅞
†60⅝	.58½	July	...	.60⅝	.58½	.58½

†Since trading opened March 3.

Mining Stock Quotations

Week Ending December 7

Par	Range 1931 High	Low	Company	Sales	Close Nov. 30 (or last)	High for week	Low for week	Close Dec. 7
1	.23	.02½	Abana	8,700	.03½	.04½	.03	.04
1	.03	.01	Aconda	......	.01	.....	.....	.....
1	.05½	.03½	Adrien	......	.04½	.....	.....	.....
No	.50	.12	Aldermac	......	.25	.....	.....	.....
1	.20½	.07	Alexandria	4,700	.09½	.09½	.07	.09½
1	.05	.00½	Algonquin	1,000	.00½	.00½	.00½	.00½
1	.02½	.01	Amity C.	1,000	.01½	.01½	.01½	.01½
No	.45	.12	Amulet	1,900	.20	.20	.19	.20
1	.02½	.00¾	Apex	1,000	.00¾	.00¾	.00¾	.00¾
1	.05	.01	Area	1,000	.01½	.01½	.01½	.01½
1	.01	.00½	Argo. Cons.	......	.01	.....	.....	.....
No	.08½	.01½	Arno	12,500	.02	.02	.02	.02
1	.01½	.01	Astoria	......	.01	.....	.....	.....
1	.02	.00½	Atlas	......	.00½	.....	.....	.....
1	.08½	.03	Bagamac	8,700	.05	.05	.04½	.05
1	.02½	.00¾	Baldwin	1,500	.01	.01	.00¾	.00¾
1	.19½	.08	Barry Hollinger	13,500	.09	.09½	.09	.09½
No	1.45	.75	Base Metals	900	1.02	1.00	.95	.97
No	.04	.00¾	Bathurst	......	.03	.....	.....	.....
5s	1.75	.60	B'Wana McKubwa	......	1.00	.....	.....	.....
1	.28	.26	Ben Nevis	......	.27	.....	.....	.....
No	.37½	.11	Bidgood	17,320	.13½	.15	.11	.14½
1	.50	.08	Big Missouri	10,900	.15	.15	.14½	.15
1	.05½	.04½	Blue Quartz	......	.04½	.....	.....	.....
1	.12	.01½	Bobjo	5,000	.03	.03½	.02¾	.02¾
1	.01	.00½	Boischatel	......	.01	.....	.....	.....
1	.12	.01	Brett Trethewey	7,200	.08	.08	.07	.08
1	.03	.03	Brit. Canadian	......	.03	.....	.....	.....
No	.12	.02½	Brownlee	94,266	.03½	.04½	.02½	.03½
1	.02	.00½	Buckingham	2,500	.00½	.00½	.00½	.00½
No	.27	.19	Buffalo Can.	22,600	.24	.26½	.23	.26½
No	.08½	.02	Bunker Hill	6,000	.02½	.02½	.02½	.02½
No	.03	.01	Cal. Flin Flon	......	.01	.....	.....	.....
1	.04	.01	Cambro Kirk	......	.04	.....	.....	.....
No	.05½	.02	Canam Metals	......	.02	.....	.....	.....
1	.06½	.01	Can. Kirkland	45,800	.03½	.03½	.03	.03½
1	.02	.02	Can. Lorraine	......	.02	.....	.....	.....
1	.32½	.08	Canussa	5,900	.10	.10	.08	.10
1	.04½	.00½	Capital Rouyn	......	.00½	.....	.....	.....
1	.30	.15	Castle Trethewey	700	.17	.19	.16	.19
1	.23	.03	Cen. Manitoba	2,900	.08	.08	.06	.08
1	.17	.05	Can. Patricia	1,325	.06½	.07	.06½	.07
1	.03	.01½	Champion R.	......	.02½	.....	.....	.....
No	.59	.02	Chib. Prospect	31,700	.13	.13½	.10	.10
No	.08	.00½	Clericy	6,500	.01½	.01½	.01½	.01½
5	10.50	2.50	Coast Copper	515	3.25	3.25	2.87	3.00
1	.05½	.01	Cobalt Contact	9,000	.02½	.02½	.02	.02
1	.02	.00½	Col. Kirkland	......	.01½	.....	.....	.....
1	.39	.05	Columario	11,500	.07½	.09½	.08	.08½
5	1.50	.50	Coniagas	......	1.00	.....	.....	.....
No	.62	.25	Coniaurum	......	.30	.....	.....	.....
25	188.25	64.00	Cons. Smelters	883	70.00	76.00	69.00	75.00
1	.40	.15	Cons. Venus	......	.40	.....	.....	.....
1	.01	.00½	Corona	......	.00½	.....	.....	.....
1	.02½	.00½	Crown Reserve	......	.01	.....	.....	.....
No	.21	.03	Dom. Explorers	8,000	.07½	.07½	.06½	.06½
1	.03	.00½	Dom. Kirkland	......	.00¾	.....	.....	.....
No	13.40	8.00	Dome Mines	2,858	9.55	10.05	9.50	10.00
1	.01	.00½	Don Rouyn	......	.01	.....	.....	.....
No	.33	.30	Donald Woolsey	......	.30	.....	.....	.....
1	.01	.00½	Dunkin	......	.00½	.....	.....	.....
1	.02½	.00½	Duprat	......	.01½	.....	.....	.....
1	1.68	.20	Eldorado	12,025	1.02	1.03	.95	1.00
No	1.70	.99	Falconbridge	2,470	1.30	1.25	1.05	1.05
1	.08½	.02	Federal	16,500	.03	.04	.03½	.04
No	.01½	.00½	Flintoba	1,000	.00½	.00½	.00½	.00½
No	.30	.06	Gem Lake	2,400	.07½	.07	.06½	.07
No	.04½	.01½	Gilbec	......	.02	.....	.....	.....
1	.08	.02½	Goldale	......	.03½	.....	.....	.....
10	.25	.08	Goldfield	300	.13½	.16½	.15	.15
1	.01½	.00½	Gold Hill	2,000	.00½	.00½	.00½	.00½
1	.11	.02½	Goodfish	3,000	.04	.04	.04	.04
1	.04	.00½	Graham	......	.01	.....	.....	.....
1	2.30	1.10	Granada	17,875	1.50	1.50	1.35	1.41
1	.15	.06	Grozelle	5,000	.15	.15	.15	.15
1	.03	.01	Harker	2,000	.01½	.01½	.01½	.01½
	.39	.31	Harvey	......	.35	.....	.....	.....
1	.08½	.07½	Hayden	......	.08	.....	.....	.....
No	.30	.29	Halliwell	......	.28	.....	.....	.....
1	.05	.00½	Hilltop	40,500	.01½	.01½	.01½	.01½
5	8.70	4.60	Hollinger	1,825	5.70	5.95	5.75	5.95
1	.40	.20	Howey Gold	8,800	.33½	.33½	.32	.32
No	6.30	2.00	Hudson Bay	1,725	2.88	3.00	2.90	3.00
No	.40	.20	Huronian	320	.25	.25	.20	.20
No	20.50	8.12	Int. Nickel	12,397	10.50	10.50	9.75	10.00
1	.03	.00½	Jackson Manion	10,000	.01	.01½	.01	.01½
1	.35	.21	Keeley	55	.25	.21	.21	.21
1	.04½	.00½	Keora M.	7,000	.00½	.01	.01	.01
1	1.00	.27½	Kirk. Hud. Bay	750	.85	.85	.85	.85
1	.03	.00½	Kirk. Huston	6,000	.01	.01½	.01	.01
1	.93	.50½	Kirkland Lake	10,525	.51	.54	.51	.52½
1	.08	.01	Kirk. Premier	2,000	.02½	.02½	.02½	.02½
1	.25	.05½	Kirk. Townsite	16,900	.15	.16	.15	.15
20c	.02½	.00½	Koot. Florence	5,000	.01½	.01	.01	.01
1	.02	.00½	La Rose	......	.01	.....	.....	.....
1	.69	.38	Lakeland	1,005	.49	.49½	.42	.42
1	29.95	20.00	Lake Shore	4,225	29.00	28.10	27.15	28.00
1	.02	.00½	Laval	500	.00½	.00½	.00½	.00½
1	.04	.01½	Lebel Oro	......	.02	.....	.....	.....
No	.35	.35	Locarno	......	.35	.....	.....	.....
1	.55	.10	Macassa	46,300	.40	.44½	.37	.44½
1	.12	.02	Malartic	1,000	.03½	.05½	.05½	.05½
No	.15	.06	Mandy	......	.07	.....	.....	.....
No	.06	.01	Manitoba Basin	6,000	.01½	.01½	.01½	.01½
1	.55	.20	McKinley	......	.35	.....	.....	.....
5	26.50	13.95	McIntyre	245	18.06	19.00	18.00	19.00
No	.33	.06	McLeod River	17,000	.06½	.08	.06	.08
1	.04	.04	McVittie	......	.04	.....	.....	.....
1	.29	.03	MacMillan	......	.10	.....	.....	.....
1	.01½	.00½	Millcrest	......	.01	.....	.....	.....
No	2.84	1.25	Mining Corp.	2,000	1.40	1.50	1.44	1.44
1	.34	.01	Moffatt Hall	108,100	.08½	.08½	.08	.08
1	.04	.02½	Moneta	500	.03	.03	.03	.03
1	.00½	.00½	Mtl. Rouyn	......	.00½	.....	.....	.....
1	.63	.20	Moss	116,625	.31	.37½	.31½	.35
1	.09	.01	Murphy	2,000	.02	.02	.02	.02
No	.07½	.02	Newbec	700	.03	.03½	.02	.03½
1	.40	.25	Nevada	......	.25	.....	.....	.....
1	.09	.02	Night Hawk	......	.03	.....	.....	.....
5	1.90	.80	Nipissing	2,865	1.24	1.20	1.11	1.20
No	29.65	11.75	Noranda	49,501	15.85	17.85	15.30	17.20
No	.50	.25	Nor. Canada	700	.26	.30	.30	.30
No	.03	.00½	Old Colony	......	.00½	.....	.....	.....
1	.01	.00½	Ophir	500	.00½	.00½	.00½	.00½
1	.10½	.02½	Oriole	6,000	.02½	.02½	.02½	.02½
1	.21	.07	Osisko	9,000	.10	.10	.09	.10
1	.25	.20	Parkhill	......	.24	.....	.....	.....
1	.15	.07	Patricia Dent	500	.10	.10	.10	.10
1	.05	.01½	Pawnee Kirk	......	.02½	.....	.....	.....
No	1.61	.60	Pend Oreille	600	.87	.97	.94	.95
1	.04½	.00½	Pete. Cobalt	1,000	.01½	.01½	.01½	.01½
	.25	.18½	Phoenix Molybd.	......	.25	.....	.....	.....
1	.01½	.00½	Picard	......	.00½	.....	.....	.....
1	.02½	.00½	Porc. Crown	......	.00½	.....	.....	.....
1	.03	.00½	Potter Doal	81,600	.00½	.03	.00½	.02½
1	.45	.30	Powell Rouyn	......	.30	.....	.....	.....
1	.99	.40	Prem. Gold	1,350	.62	.63	.61	.63
1	.02½	.00½	Preston E. Dome	......	.00¾	.....	.....	.....
	.29	.25	Prospectors Air's	2,500	.....	.29	.25	.29
No	.25	.07	Quemont	......	.08	.....	.....	.....
1	.06	.00½	Ribago	55,000	.01½	.01½	.01½	.01½
1	.34	.24	Rich. Rock	......	.33	.....	.....	.....
1	.15	.01½	Ritchie	27,000	.02	.02½	.02	.02
1	.04	.00½	Robb Montbray	......	.01½	.....	.....	.....
1	.05	.04	Rubec	......	.04	.....	.....	.....
1	.45	.25	San Antonio	1,000	.40	.40	.37	.37
1	.21	.10	Seven Troughs	......	.10	.....	.....	.....
1	1.25	.40	Sherritt Gordon	7,155	.65	.65	.62	.62
1	.71	.36	Siscoe	53,175	.56	.56½	.52½	.54
1	.18	.02	South Keora	7,000	.02	.03½	.03	.03
No	.05	.01	Stadacona	19,500	.01½	.01½	.01½	.01½
1	.20	.03½	St. Anthony	1,000	.06	.08	.07	.08
No	.82	.35	Sudbury Basin	1,150	.45	.51	.44½	.45
1	.03	.01	Sudbury Contact	......	.01½	.....	.....	.....
1	.03½	.00½	Sudbury Mines	4,500	.00½	.00½	.00½	.00½
No	.04½	.01	Sudbury Nickel	1,000	.03	.03½	.03½	.03½
1	.19	.07	Sullivan	......	.11	.....	.....	.....
1	1.14	.48	Sylvanite	3,400	.62½	.65	.63	.63
1	.20½	.04	Tashota	15,500	.09	.10	.07	.10
1	8.65	4.65	Teck Hughes	10,145	5.15	5.25	5.10	5.15
1	.10½	.01	Telluride	......	.01	.....	.....	.....
1	.01½	.01	Temiskaming	......	.01½	.....	.....	.....
1	.06½	.02½	Thom. Cadillac	......	.04	.....	.....	.....
1	.02½	.00½	Tough Oakes	......	.01	.....	.....	.....
1	.63	.17	Towagmac	1,000	.25	.25	.25	.25
1	2.65	.95	Treadwell	140	1.25	1.25	1.10	1.25
No	2.85	2.40	Tri-Metals	......	2.85	.....	.....	.....
1	.15	.04	United Kirkland	2,500	.07	.08	.08	.08
1	.03	.01	Vacuum Gas	......	.01	.....	.....	.....
No	.86	.35½	Ventures	28,010	.48	.51	.46	.46½
1	.19	.01½	Vickers	6,500	.14	.19	.14	.18
1	1.22	.50	Vipond	3,000	.53	.54	.50	.50
No	2.00	.90	Waite Ackerman	150	1.00	1.00	1.00	1.00
1	.02½	.01	West Tree	......	.01	.....	.....	.....
1	.27	.03½	White Lake	100	.05	.04½	.04½	.04½
1	.06	.01½	Wiltsey	......	.01½	.....	.....	.....
No	.01½	.00½	Windfall R.	......	.01	.....	.....	.....
	.13	.03½	Wood Kirkland	......	.04	.....	.....	.....
No	3.25	1.85	Wright-Hargreaves	24,415	2.88	3.10	2.95	2.90
			WESTERN OIL STOCKS					
1	.30	.12	Acme	8,150	.13½	.16	.13	.15
1	.37½	.05	Alta. Pacific	225	.14	.11	.10	.10
1	.08	.07	Amalgamated	......	.08	.....	.....	.....
No	.25	.04	Associated	3,800	.08	.08	.05½	.05½
1	1.89	1.00	Ajax	15,850	1.06	1.17	1.01	1.15
No	.12	.02	Baltac	200	.03½	.03	.03	.03
1	.07	.02	Black Diamond	......	.02	.....	.....	.....
1	.36	.05	Brit. Dominion	......	.05½	.....	.....	.....
1	.32	.03	Calmont	700	.08	.06	.06	.06
No	.82	.20	Calgary & Ed.	......	.40	.....	.....	.....
1	.47	.06	Comm. Pete.	250	.08½	.09	.09	.09
No	.29½	.26½	Crudome	......	.28½	.....	.....	.....
No	.60	.12	Dalhousie	400	.20	.25	.20	.25
No	.08	.01½	Devenish	......	.01½	.....	.....	.....
No	.12	.01½	Dome Oil	......	.03	.....	.....	.....
No	.69	.05	East Crest	1,500	.14	.14	.14	.14
1	.05	.00½	Fabyan Pete	10,000	.03	.02½	.02½	.02½
No	.60	.05	Foothills	......	.20	.....	.....	.....
No	.18½	.02	Freehold	......	.04	.....	.....	.....
1	.02	.00½	Great West	......	.00½	.....	.....	.....
No	.17	.03	Hargal	......	.03½	.....	.....	.....
No	.10	.03	Herron Pete	......	.03½	.....	.....	.....
No	.07½	.02	High Sarcee	......	.05	.....	.....	.....
No	2.00	.30	Home	800	.50	.51	.46	.46
No	.22	.02½	Homestead	......	.05	.....	.....	.....
1	1.70	.35	Homest'd O. & G.	6,300	.65	.65	.55	.65
	.10	.09	Hylo	100	.10	.09	.09	.09
1	.08½	.00¾	Illinois Alta	9,000	.01	.01	.01	.01
No	.70	.10½	Lowery	......	.18	.....	.....	.....
1	.05	.00½	Madison	1,000	.01½	.01½	.01½	.01½
1	.85	.12	Mayland	......	.15½	.....	.....	.....
No	.11	.02½	McD. Segur Ex.	3,500	.03½	.04	.04	.04
1	.29	.01½	McD. Segur N.	500	.04	.04	.04	.04
1	.72½	.25	McLeod	1,800	.50	.58	.55	.56½
No	.39	.07½	Mercury	6,100	.10	.11	.10	.10½
No	.20	.04	Merland	......	.07	.....	.....	.....
No	.38	.08	Mill City Pete	......	.09	.....	.....	.....
1	.49	.11	Model	925	.19	.20	.16	.16
1	.18	.02	Monalta	......	.07	.....	.....	.....
1	.31	.05	Moose Mountain	1,000	.05	.05	.05	.05
1	.04	.00½	New Federal	......	.01	.....	.....	.....
No	.56	.13	Nordon	58,950	.17½	.20	.16	.16
No	.11	.02	Oil Selection	11,000	.04½	.04¾	.04	.04½
No	.28	.03	Okalta	2,200	.07	.07	.07	.07
100	27.00	8.00	Do., pref	......	9.00	.....	.....	.....
No	.24	.05	Olga Gas & Oil	63,900	.16	.24	.17½	.23
1	.37½	.17	Petrol	400	.17	.20	.20	.20
No	.28	.01	Penn. Pete	54,500	.02½	.02½	.02	.02
No	.25	.07	Ranchmen's	100	.10	.07	.07	.07
1	.05	.01	Regent	325	.01½	.01	.01	.01
No	.13	.01½	Richfield	......	.03	.....	.....	.....
No	17.75	5.00	Royalite	581	7.25	8.00	6.75	7.00
1	.82	.10	Sarnia Oil	7,600	.13	.13	.10	.13
1	.06½	.01	Signal Hill	2,800	.03½	.05	.03½	.03½
No	.27	.10	South West Pete	......	.10	.....	.....	.....
No	.60	.12	Spooner	......	.18	.....	.....	.....
No	.19	.04½	Sterling Pacific	1,000	.09	.08½	.08½	.08½
	.15	.15	Turner Basin	......	.15	.....	.....	.....
1	.16	.05	Turner Valley	......	.05	.....	.....	.....
No	.31	.05	United	3,750	.08	.10	.08½	.08½
1	.15½	.05	Vulcan	25	.12½	.15	.15	.15
No	.05	.00½	Wainwell	500	.01	.01	.01	.01
1	.28	.08	Waite Valley	......	.08½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for Week to December 2)					
25c	.01	.00½	Bayview	4,000	.00½	.00¾	.00¾	.00¾
20c	.07½	.01	Beaver Silver	......	.05	.....	.....	.....
25c	.06	.00½	Bluebird	1,100	.03½	.04	.03½	.04
25c	.80	.40	B.C. Silver	......	.80	.....	.....	.....
25c	.02	.00½	Cork Province	4,000	.02	.01½	.01½	.01½
1	.29	.06	Cotton Belt	......	.09½	.....	.....	.....
1	.03	.02	Dalhousie	......	.02½	.....	.....	.....
1	.03	.02	Dunwell	......	.02½	.....	.....	.....
1	.10	.02	Duthie	......	.02½	.....	.....	.....
1	.90	.39	George Copper	......	.50	.....	.....	.....
50c	.05	.01	Geo. Enterprise	......	.02	.....	.....	.....
1	.05½	.01½	Georgia River	22,000	.03	.03½	.02¾	.02¾
1	.45	.17	Golconda	1,000	.25	.25	.25	.25
50c	.10	.03	Grandview	4,800	.05	.06	.05½	.05½
No	27.50	17.00	Howe Sound	......	21.25	.....	.....	.....
1	.17½	.09	Intern. Coal	......	.12	.....	.....	.....
1	.02	.01	Independence	7,000	.01½	.01½	.01	.01
1	.02	.01	Indian Mines	......	.02	.....	.....	.....
1	.43	.22	Jack Waite	......	.28	.....	.....	.....
25c	.02	.00½	Kootenay King	11,000	.01½	.01½	.01	.01
25c	.02	.00¾	L. & L.	......	.02	.....	.....	.....
1	.12½	.06	Lorne Gold	15,125	.09½	.09½	.08½	.08½
1	.12	.12	Los Ang. Van.	......	.12	.....	.....	.....
10c	.05	.01½	Lucky Jim	100	.03	.04	.04	.04
50c	.01	.00½	Marmot Metals	......	.00½	.....	.....	.....
1	.05	.01	Morton Woosley	......	.03	.....	.....	.....
50c	.05½	.01	National Silver	15,800	.02¾	.03½	.02½	.03
50c	.10½	.04	Noble Five	13,600	.07	.07½	.06½	.06½
50c	.12½	.02	Oregon Copper	2,000	.03	.02¾	.02¾	.02¾
1	2.70	1.23	Pioneer Gold	2,425	2.65	2.65	2.50	2.60
No	.02	.00½	Premier Border	......	.01	.....	.....	.....
50c	.13	.03	Porter Idaho	17,900	.09	.09½	.07½	.07½
No	.55	.20	Reeves McDonald	1,050	.38½	.34	.32	.32
1	.28	.11	Reno Gold	4,900	.18	.21	.19	.20
1	.04	.01½	Rufus Argenta	......	.02	.....	.....	.....
1	.09	.02½	Ruth Hope	......	.06	.....	.....	.....
1	.07½	.03	Silverado	4,488	.05	.04	.03	.04
25c	.04½	.00½	Silver Crest	1,000	.02½	.02¾	.02¾	.02¾
50c	.05	.00¾	Snowflake	......	.02	.....	.....	.....
1	.45	.25	Sunloch	......	.25	.....	.....	.....
50c	.02½	.01	Topley Rich	......	.02	.....	.....	.....
5	.20	.05	Toric	......	.05	.....	.....	.....
20c	.01	.00½	Wellington	......	.01	.....	.....	.....
1	.08	.02	Whitewater	......	.05	.....	.....	.....
No	.03½	.00½	Woodbine	13,500	.01	.01	.01	.01

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$2.50+a	3.33	Noranda	50c.	2.90
Dome Mines	$1	10.00	Premier	12c.	....
Granby	$1	....	Pioneer, B.C.	12c.	4.21
Hollinger	65c.+5	11.76	Royalite	50c.	....
Howe Sound	$2	....	Spooner Oils	6c.	....
Inter Nickel	20c	2.00	Sylvanite	4c.	....
Lake Shore	$2+50c.	8.92	Teck Hughes	60c+5	12.62
McIntyre	$1	5.26	United Oils	5c.	....
McLeod Oils	5c.	....	Wellington Oil	5c.	....
Mercury Oil	5c	....	Wright-Har	10+2½c.	4.18
Model Oils	9c.	....			

a. Stock bonus 1 share for each 20 shares held.

MILLAR, MACDONALD & CO
CHARTERED ACCOUNTANTS
WINNIPEG WINDSOR

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

PIPE & ALLEN
QUALIFIED ACTUARIES
Specializing in Pension Fund organization and valuation, statistical analysis and Hollerith tabulation for casualty, fire and life insurance companies.
METROPOLITAN BUILDING - TORONTO

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
CLARKSON, McDONALD, CURRIE & COMPANY
TORONTO OTTAWA WINDSOR
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000.
The Company's Debentures are a legal investment for Trust Funds which may be deposited in the Company's Savings Department.
Money loaned on First Mortgages, including building loans. Applications invited.
JOHN G. RICHTER, President. T. H. MAIN, Manager.

Dominion Foundries & Steel
Limited
STEEL PLATE STEEL FORGINGS
STEEL CASTINGS
For Every Purpose
Hamilton Ontario

OSLER & HAMMOND
Stock Brokers and Financial Agents
Members: Toronto Stock Exchange, Montreal Stock Exchange, Montreal Curb Market, New York Curb Market (Associate)
21 Jordan Street TORONTO
215 St. James St. West MONTREAL

HOW TO INVEST FOR PROFIT

Good Value for one Dollar

Here is a book on the fundamentals of investing written from the Canadian standpoint.

It deals with stocks; how to select them; how to judge their value; how to buy them; dealing with stock brokers, etc.

It deals with bonds; what they are; how they can be judged; how to buy them; how to sell them.

It discusses problems of different types of investors and what they should choose.

There is also valuable information on investment terms, table of stocks, yields, table of bond interests, stock exchange commission rates, etc.

"How to Invest for Profit" is printed in clear type on the best quality book paper and is bound in cloth. The price —$1.00.

THE FINANCIAL POST,
153 University Ave.,
Toronto.

Please enter my name to receive:
☐ How to Invest for Profit—$1.00 a copy.
☐ The Financial Post—$5.00 a year (52 issues).

Enclosed is $.............. in payment.

Name ....

Address 883

Christmas Buying Quickens Confidence and Cheer

Man Retains Proud Status In Household

Theory That Women Buy Everything is Upset

STATISTICS GIVEN

Chivalry Alone Accounts for Growth of Fallacy Regarding Women Shoppers

The growth of a popular idea or prejudice has always been interesting; to correct those prejudices some individuals have paid dearly. Galileo for instance, had a hard time when he endeavored to point out that the world was round; in fact, despite the passage of years, there are those who still hold to the idea that a flat world is the right theory.

Of the many popular credos of today probably one of the most widespread is that which affirms that a woman is the great purchasing agent of the present day household. On all sides and at all times one hears an endless reiteration of this illusory idea; the woman, they say, does all the buying for the house.

And so it goes on until it is now widely accepted and the mere male is regarded as next to nothing. "The Woman Pays" has become a byword in our present civilization.

Why has this fallacy been allowed to take root and grow? Why should women be allowed to take the credit for all the household buying that goes on today? Why should men be deprived of the joys of having advertising directed at him? The answer is simple: chivalry is not dead. It must be that or there would have been an unholy row in all the households of the world long ago.

Husbands know who does the buying in their homes, but they don't brag about it. In silence they write out cheques; with magnificent aplomb they foot the bills, keeping their chivalrous mouths closed. They know the true state of affairs but do not deign to upset the popular feminine idea that a woman does all the shopping.

Argument is Anticipated

One must anticipate an obvious argument here. It cannot be denied that many of the actual transactions conducted in a purchase are undertaken by women, but a glimpse at any store at ten o'clock in the morning is definite proof of that. But the money is reposing in the feminine purse; that is what talks.

First and foremost in most purchases made by a woman is the question: will my husband approve? There is the great flaw in the popular fallacy. A woman buys to please the male. Without his approval, back goes the article to the store. This of course applies to all properly run households; there is, however, no need to digress.

Man Controls Purse Strings

The man earned the money and he wants to see how it is spent, even where articles of the most domestic nature are concerned. Carpets, chairs, pictures, lamps—they may have been purchased by a woman but they have to be approved by the males. Food in particular is severely criticised by man, in this department he has a great deal of say in what is consumed in his house.

But because the woman makes the purchase in the store all the world has jumped to the conclusion that she controls the whole situation. As yet there has been no Galileo to upset the generally accepted theory. Take the question of coffee: how long is it since you objected to that particular brand? About a week ago. And did you not say "Let's try some of that so-and-so" carelessly mentioning a nationally advertised brand? Yes, you did and what's more you got it next morning. And they say that women do all the buying.

Statistics Prove Argument

This is just one of a thousand instances which can be recalled to prove that man is the final purchasing agent for his own home. A statistician recently collected some figures, all entirely without foundation, which will finally clinch this argument once for all time, chivalry or no chivalry. These figures will take the place of the 999 instances mentioned above which might take some time to recall.

This is what the statistician discovered from a canvass of 1,000 average married men. Of this number there were 978 who said they would take affidavits that they were directly responsible for the purchase made by their wives. Fairly conclusive evidence. Then there were 20 who preferred not to discuss the matter while their wives were around and the remaining 2 kept rabbits which has no bearing on the subject.

Enter Enemy's Camp

One might even go further and mention the fact that some men even do a good deal of buying for their wives. This type, impervious to the terrors of the fitting room, is rare; nevertheless there are those who insist on choosing all their wife's clothes for them. There is little to be said for this individual, but he is useful at the moment in assisting in driving another spike in the coffin of the ill-founded rumor under discussion.

Proponents of the theory that women do all the shopping even dare to say that wives buy much of their husband's wardrobe. This idea is patently ridiculous and while it is fostered to some extent at Christmas time, it really holds no water.

All in all, then, it may safely be assumed that men are the great household purchasing agents of the nation still. Perhaps it would be just as well to be chivalrous about it, however, and not say too much. Especially just now when Christmas goodwill should be preserved at all costs.

Canadian Art

Painting or Engraving by Home Artist is Mark of Distinction

The fame of Canadian art has gone around the world in recent years. Pictures by Canadian artists have been widely displayed in Britain, and the United States, as well as in other countries. From the Group of Seven, with their psychological interpretations of the realities of the Canadian scene, through the list of more conservative painters, Canada numbers many artists whose work has a vitality and an originality that has caught the attention of art lovers the world over.

Canada has been able in the past to honor many notable workers in canvas and copper, including men of the stamp of Blair Bruce, Paul Peel, Jacobi, Bell Smith, Tom Thomson, etc. Many of these failed to obtain just recognition in their life time. Today it is different and there are few Canadian artists who have fallen short of the recognition that is their due.

It is not only in the field of painting that Canadian art has won its spurs. Sculptors, etchers, workers in water color, dry point and charcoal, workers in tempera are all contributing to this vigorous advance of Canadian art. By means of public exhibitions in the art galleries of the country, private shows in sale galleries, displays in the art departments of large department stores, the work of Canadian artists is being placed before the Canadian people and the best efforts are rapidly finding places in private homes and public galleries.

A representative work of a Canadian artist, whether it be a $10 etching, a $50 thumb-nail sketch, a $100 watercolor, or a $500 oil, makes a Christmas gift that reflects not only the good taste of the given but his appreciation of the artistic understanding of the recipient.

On the Telephone

Growing Use Each Year of Long Distance Service to Give Audible Messages

So rapidly have the telephone companies increased their efficiency in recent years that many of us who make long distance calls comparatively seldom, never fail to marvel at the ease and rapidity with which they are completed. Many years ago the placing of a long distance call held some of the terrors of a major operation; today it is as easy to speak to some one 500 hundred miles away as it is to call the corner grocery.

Why stop at 500 miles? You can speak to practically any part of the world by telephone if you want to; if you look in the Bell telephone directory you will find rates to London, Paris and Berlin quoted along with those to some small town in Ontario or Quebec.

Links Absent Friends

With the improvement in long distance telephony has come an increased usage of the telephone at Christmas. Every year a growing number of people dial long distance at Christmas time and speak to their homes and their friends from whom they are separated by many miles.

Business firms, too, are using the telephone to greet their customers or even their competitors. A few words in the spoken voice mean more than pages of writing; there is a personal touch which is difficult to replace.

There is also a vital post-Christmas use for the telephone which is worth remembering. Presents have to be acknowledged and unless you happen to be a fairly versatile writer you will find it difficult to express proper appreciation in a letter for the green and pink tie; the hand made sock and some other similar gifts. In a case like this, consider the long distance telephone call; it solves innumerable difficulties provided, of course, that you can trust yourself to speak.

Gifts to Last One Century May be Given

Generations May Profit from Generosity This Christmastide

BEAUTY THAT ENDURES

King's Plate Reproductions Sold in Canada — Buying Values for Posterity

On Christmas Day, 2031, the descendant of someone now reading this article will give the finishing touch to an atmosphere of graciousness, beauty and charm when she dispenses tea from a treasured old tea service given to an ancestor as a Christmas gift in 1931. In the background gleaming glasses, graceful vases, famous paintings and furniture embodying the most beautiful designs created by master craftsmen in bygone days, could theoretically all have the same age of a century on that day far distant, and if the reasonable care which should be given to all beautiful things has been taken they would still be remarkable for the quiet dignity and good taste which make them so wonderful and acceptable presents today.

Buy Antiques or Moderns

There can be purchased in the chief cities of Canada today specimens of the antique in every department of craftsmanship at prices far higher than for modern specimens, and rightly so because the genuine historical piece has a value which cannot be measured by the assayer or the strict utilitarian. But there are as well modern pieces which have embodied many of the lessons learned from the old masters and which have added some modern touches which will appeal to many. They sell for less and yet have undisputed quality in them. There are also reproductions of old masters, selling as reproductions, so well done that it is advisable for people desiring to get exceptional value to deal with old established, reliable firms whose names are a guarantee that the exact facts will be made known with regard to any piece sold.

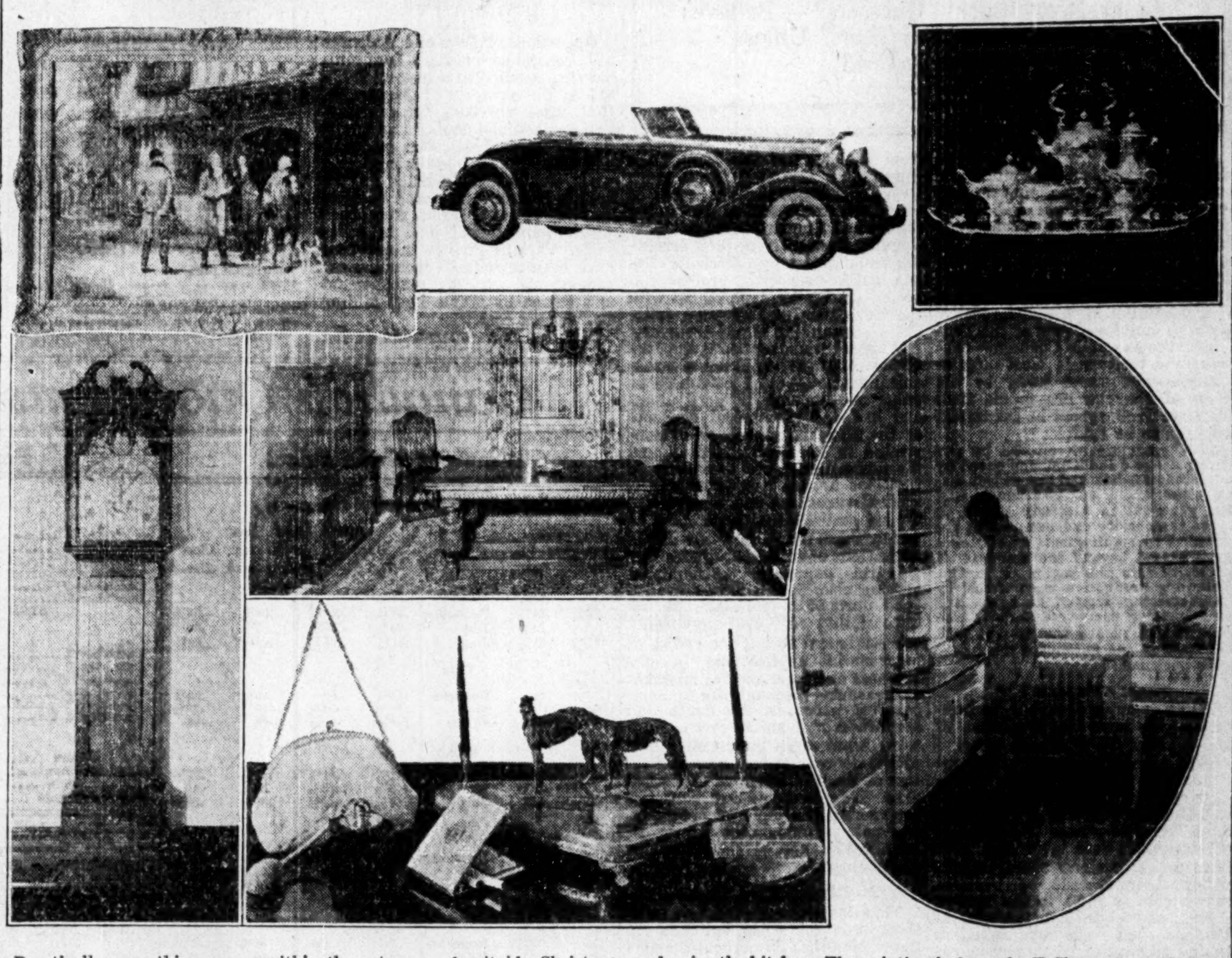
Can Dine Like A King

Do you know that in Canada today wealthy Canadians can buy at $100 a plate gold plate exactly similar in beauty, workmanship and content with that which graces the King's table on state occasions? Do you know that candelabra of similar composition and exquisite craftsmanship can be had at values lower than $500 each? The original pieces from which these reproductions are made could not be obtained in many cases for from three to ten times the price put on the reproductions. The reproductions themselves in some cases are by famous craftsmen and have already existed from 30 to 70 years.

Beautiful Reproductions

Modern success with electro-plating has placed more beautiful reproductions within reach of moderate purses than ever in history. Such purchases as these in a time of business depression have real value in encouraging artistry, craftsmanship, in keeping money moving in trade, in providing employment and in preserving real values created by lovers of beauty for times to come.

Suggestions from Great Array of Gift Possibilities



Practically everything comes within the category of suitable Christmas gifts but here are a few definite selections. A painting, an automobile, some Sheffield or old Georgian silver, a grandfather clock, old furniture, desk pieces or jewellery, or even something to modernize the kitchen. The painting is from the T. Eaton Co. galleries in Toronto and the silver service from Ellis Brothers. The grouping below shows some gifts from Ryrie-Birks. The modern kitchen was photographed in the Chatelaine Institute.

Xmas Gifts in 1931 Are Twice Blessed

Christmas is the most special of all special occasions in the course of the year. It is traditionally associated in thousands of Occidentals with jollity, merriment, joy, and a bounteous out-flowing of goodwill toward all things human which float into one's ken on that day. Not only traditionally but actually goodwill is higher at this period of every year except in the case of soured sceptics like Scrooge and harried bread-winners and housewives who until the day itself dawns find its high demands a worry and a task. These too, if they let the Spirit of Christmas really possess them will enjoy the planning and preparation for the season almost as much as the day itself. They will spend just as much in any case in the end so they might just as well have the fun of the thing all the way through.

Unfortunately for the world the present Christmas season emphasizes more than any other for a decade the fact that the poor are still with us, that everything is not going "as it should" in the "best of all possible worlds" and that there are still some man-size obstacles to clear away before the world can once more get by way of its present detour back to the solid load of prosperity.

"Let Him Who Hath!"

There are many however, whose incomes remain unchanged or whose revenues are actually increased in purchasing power by recent declines in commodity prices; and there are those whose revenues are temporarily lower but who still have enough and to spare. For these the right way this Christmas is to spend just as much or more than ever before. They will be giving industry and business generally just the impetus it needs at this time, they will be giving greater pleasure than in a more prosperous year to those who receive gifts; and worth-while gifts, especially to people who are not expecting and who need them, will give a double benison this year.

Worth-while gifts comprise far more than things to eat and wear, varied and attractive as are the possible gifts falling into these two categories. They may take the form of a long-desired trip suddenly made possible, a motor car, a book, a painting, a statue, a moving picture camera, an electric refrigerator to a house-wife who long has desired one, beautiful silverware or chinaware, a piece of furniture ardently admired, a rifle, a golf bag, a football for a boy, a badminton set, a house, a bond, a share of some good stock or an insurance policy.

Helps All the Way Around

Then there are the intangible benefits bestowed when kind thoughts and warm hearts are made manifest in flowers, candies, jewels, messages by telephone, telegraph, wireless and cable. Such spending helps both giver and receiver directly, and indirectly as well by creating employment and stimulating trade it spreads the benefits of Christmas to an ever-widening circle long beyond the day itself.

The world has been greatly hurt in the last two years by a loss of confidence in institutions, in the trend of business and even to some extent in the present state of civilization itself. It is a natural fit of the blues after the orgy of 1928 and 1929 but it will pass away all the quicker when those who can do so lead the way by restoring their old scale of expenditures for worth-while things. This is not an invitation to recklessness but to liberality, to courage, to wise forethought in expenditures, to restore goodwill and confidence where it is most needed.

Cruise Tickets

West Indian and Other Trips Find High Favor as Christmas Gifts

Occasionally Christmas demands a particularly magnificent gesture; a present in the grand manner. There is one answer to this which is practically unexcelled, for its worth can hardly be valued in dollars and cents, —a winter trip to warmer climates.

A cruise in the Caribbean; a trip to Bermuda; a journey to any of those islands basking in sunshine is a gift which will probably be appreciated to an inestimable degree. Look over some of the folders published by the steamship companies and you will find a variety of winter cruises which will satisfy the most exacting traveller.

Steamship companies today offer a wide range of this kind of trip. The lengths of the journies vary from a few days to several weeks and cover anything from a week-end in Bermuda to a cruise round the world.

The latter is especially worthy of consideration. The great majority of individuals like to travel and a large part of that majority often find it a difficult pleasure to realize. While the shock of receiving a present of a cruise round the world might be severe, there can be no doubt that such a gift could never be forgotten in a lifetime.

One Thing Likely Forgotten

One other point. Many business men in the rush and hurry of buying Christmas presents forget one very important thing, — something for themselves. One of the most attractive gifts that a man can give himself is a cruise to the West Indies; it is invariably welcomed with enthusiasm. In fact it is said that an introvert, who once presented himself with a cruise for Christmas enjoyed it so much that he went out of his mind in an effort to thank his other ego in suitable terms.

This, however, is a question you must decide for yourself; if you have any fears along this line it would be best to discard the idea of a West Indian trip. For you would have a great time.

Women's Clothes

Provide Puzzle for Average Man — Simple Rules for Nervous Male

Introduction of a highly efficient system of "shoppers" as maintained by leading stores today has done much to alleviate the sufferings of the supersensitive business man in search of various types of clothing as Christmas presents for the opposite sex. Lost in a maze of polished saleswomen, mannequins and clouds of silk and chiffon the hardest boiled individual often lost his nerve after he had screwed up his courage to buy a dress, a fur coat, or something considerably lighter, for his wife. Gibbering, he would leave the store and likely enough would send his stenographer to make the necessary purchase. This action inevitably had repercussions leading, as often as not, to tears on the part of the final recipient of the gift and the husband would confine his future efforts to bridge sets and flowers.

Such a situation is to be deplored and the larger department stores have taken steps to prevent its recurrence at Christmas time. All the gentleman has to do now is to disclose his wants to a kindly and efficient "shopper" who will immediately take him under her wing and smooth out the terrors which the stocking department, for instance, formerly held for him. She will make his purchases for him; she will know what women are wearing, if he does not, and it will be her ability which will make him think he is a fine fellow as he leaves the store with various articles of women's apparel under his arm.

Furs Are Not Expensive

It is a fairly safe bet that clothes of all kinds are the easiest and safest form of Christmas presents for women. Furs are not expensive this year, a point worth remembering and one which you may have had pointed out to you. Silk hosiery is also far below its price levels of a few years ago; a man can't go far wrong with a really good pair of stockings. Hats are difficult, especially these days, and if chosen by a man are likely to appear on the charwoman's head after New Year's. Steer clear of hats.

Muffs are fashionable this year, so don't be insulted if the salesgirl suggests you buy one for your wife. She doesn't mean you look mid-Victorian. Women are wearing scarfs too these days, an idea which might crystallize into a present. Dresses are a difficult proposition to buy unless you have very definite ideas on the subject; if you haven't, let your wife choose her own for she knows.

There is really no trick to buying something for a woman to wear if you keep your head. You won't need a "shopper" to help you if you observe a few simple rules. In the first place remember that the salesgirls are trying to help you; they aren't laughing at you as you may think they are. They are a good deal keener to make a sale than you are to buy. Tell them frankly that you don't know what you want (which is probably the case) and you will be surprised what they can show you. Just how surprised you will be depends largely on yourself.

All in all, rules for buying women's wear, if observed, make this form of shopping simple and the results are pleasing. Try it and see for yourself.

Christmas Brings Books Worth-While

Travel, Biography, Romance Are All Well Represented

MANY ON ECONOMICS

Business Men Nowadays Find Economic Studies Far from Dull — Much New Fiction

The answer to any Christmas puzzle is a book. Everyone reads; everyone wants to read the newest or the best of the newest at least. Literature covers every interest, romance, economics, social advance, the record of the past, the scientific forecast of the future.

This Christmas brings a wealth of new and interesting literature. The economic and social spirit of the times is revealed in much of it. Works on economic and business subjects, usually regarded as the brain food of the professor or student are being devoured by the everyday craftsmen of modern business. Anything that will throw light on the causes of depression is certain to find a ready demand, and there are many excellent books of this character in the stores this year.

Travel Still Holds Favour

The Russian experiment has not brought out as many books this year as it did a year ago, but analytical discussion of the conflicts appearing in our modern social and political life are in keen demand. It is the popularity of books of this type that marks out this year's Christmas book selection from that of previous years.

Travel is the old reliable subject for the Christmas book. There is scarcely anyone who does not relish reading about strange lands and strange people whether by way of recalling the pleasures of a voyage already taken or by way of day dreaming in the future. "Behold the Hebrides" by A. A. MacGregor is one of the popular travel books of this season and "Manga Reva, the Forgotten Island" by Eskridge, illustrated by the author and telling the story of one of the islands of the Gambie Archipelago of the Southern Pacific Ocean is representative of the always popular South Seas group.

Biography has produced some new books of distinction and first mention must be made of "Clifford Sifton in relation to his Times" a notable contribution to Canadian historical record by Sir Clifford Sif-

(Continued on page 19)

Men do not buy Lingerie except at Christmas Time

¶Whether it is a gift of Lingerie — or anything else for "Her" to wear — from Hosiery to Furs — you will feel no embarrassment when shopping at

NORTHWAY'S
240 Yonge Street
Special Shopping Service for Men

Suitable Gifts

A fancy basket of delectable fruits and superlative dainties composed of — Hot House Grapes, Fresh Dates, Tangerines, Wine Jellies, Oranges, Glacé Fruits, Kumquats, Figs, Pears, Jordan Almonds, Dessert Raisins, etc. — $5 and up.

A bunch of beautiful roses or a plant in bloom — all prices.

An Old English Fruit Cake or Pudding made under the direct supervision of Sir John Daniel noted British expert — $1.25 and $2.00.

A specially fed Ontario Turkey — $3.00 and up.

A Family Hamper composed of a Turkey, Chestnuts, Cranberries, a Ham, Plum Pudding, Table Raisins, Nuts, Tangerines, Dates, Figs, etc. — $10 and up.

A box of Schraff's celebrated chocolates — $1.50.

Charity Hampers a specialty — $2.50 and up. A box of Ontario Extra Fancy Northern Spies — $4.00 and $4.50.

Out of town orders carefully dispatched

F. SIMPSON & SONS
736 Yonge Street, Toronto (near Bloor)
Established 50 years
Phones: Kingsdale 3154-3159

The Gift for Men to Buy

WHAT gift can equal furs when the occasion requires a tactful combination of the beautiful with the practical?

Furs, beautiful, genuine furs, are down in price. An opportunity is presented now that is too good, and possibly too rare, to miss.

Men are especially welcomed at Creeds. Expert advice on furs and values will be gladly tendered by our staff, who are thoroughly experienced, and well qualified to assist in making a completely satisfactory selection.

Silver Fox Scarves from $ 50.00
Sable Scarves from 100.00
Fur Coats from 150.00

CREEDS LIMITED
Bloor at Bay
TORONTO

Preparedness for Christmas Means Early Shopping

Please Thank Sir Walter For Tobacco

Noted Explorer's Discovery Makes Christmas Shopping Easy

CANADIAN CIGARS

Best Value in World is Created in Dominion Factories —A Favorite Medium

What early Elizabethans gave each other at Christmas time before Sir Walter Raleigh returned from America with his specimens of tobacco will always remain a mystery. Doublets and cravats were probably popular as they are today but it is impossible to imagine what took the place of the present day gift of tobacco in all its various forms.

What did corporations give their employees? What did householders give their furnace man, or his counterpart, in those days? Maiden aunts must have racked their brains in vain for a present for their nephews, while men had to confine their presents to the opposite sex to a narrow scope which included poems written by themselves.

Presents Wide Opportunity

Try and conceive of a Christmas without tobacco. Such a thought is depressing; rather turn your mind to the opportunities which the weed offers as a medium for a gift at this time. That many do so is evidenced by the tremendous increase in all tobacco sales in the holiday season; nearly as many cigars are sold at Christmas time as in the rest of the year.

Tobacco in all its forms will be more acceptable in 1931 than ever before. Many men have been denying themselves the luxury of a cigar for the past year, and wide gains in sales of cut tobacco show that a great many people are "rolling their own" cigarettes in an effort to cut expenses. Thus the receipt of cigars and cigarettes will mean more than it did; tobacco manufacturers have realized this, judging from the display of their Christmas wares this year.

The vexed question as to what a man should give a woman has been simplified with the wide increase in the number of women smokers in the past decade. The enchantress of the 1900 novel smoked cigarettes in the privacy of her scented boudoir; the average woman now relieves the white man's burden to a great extent by carrying her own well stocked cigarette case. Next to orchids, perhaps, a box of good cigarettes is probably as acceptable to a woman at Christmas time as anything else.

Lighters today have been perfected to a point where they have ceased to be a standard joke for the vaudeville stage and might well be considered as a present. Also it might be well to cater to the prevalence of cigarette-making in the home; there are some excellent cigarette makers on the market today which enable a man to cut his smoking costs in half.

One other thing is worth considering. The average cigarette sold today, though made of so-called Virginia tobacco, contains a very large percentage of good honest Canadian tobacco grown for the most part in Ontario. So don't think you're being unpatriotic when you buy Virginian cigarettes made by a Canadian company.

Home-made Replace Imported

Many business houses distribute during the holiday season remembrances to social and business associates, customers, and employees. Cigars have long been the favorite medium of expressing this seasonable goodwill and fellowship.

Due to existing conditions there may be a tendency this year to curtail this venerable custom — but would this be wise? Such gift remembrances this year will make a more pleasing and lasting impression during normal years.

During the past few years cigars of domestic make have, to a very great extent, replaced imported brands and the reason is that today you can obtain "Made-in-Canada" cigars equal in quality but lower in price than imported stock.

Canadian cigar factories have earned distinction by the development of clean, sanitary, up-to-date methods and the use of the finest type of imported leaf—Havana fillers and Sumatra and Java wrappers. In many respects the Canadian maker has advantages over his foreign competitor, for he is not restricted to any one country for the purchase of his leaf tobacco. The finest cigar fillers in the world are grown in Havana where the Canadian manufacturer gets them —just as he goes to Sumatra and Java for the world's finest type of wrappers. A Cuban manufacturer on the other hand depends on his own country for all his raw materials.

Canadian made cigars are the best value in the world. An imported cigar of equal quality would cost perhaps double. In filling Christmas gift requirements with Canadian made cigars, donors, therefore, give the highest of cigar quality and at the same time support Canadian enterprise and labor.

Household Machinery Should be Modernized

If there were to be union labor in the home what an argument could be put forward in favor of shorter hours if not better pay; especially when so many pieces of what can be called household machinery have been evolved to give the lie to the old saying that "woman's work is never done." Cooking, washing, ironing, cleaning, are all possible now on a mechanized basis, powered by electricity, which lightens the housewife's labor providing that she has an enlightened help-mate.

Christmas is suggested as a logical time to inventory kitchen-equipment and bring in modern replacements. This means starting the new year with a more efficient and economic operating basis in the home. Time saved results in less nerve strain, less friction, fewer doctor's bills. An electric washing machine, for example, can save hours of hard, tedious work. An electric refrigerator is something to be proud of and how much better foods do taste.

Gifts at All Prices

Various uses can always be found for the constant supply of ice cubes. Stoves in wide range, from small grills and hot plates to those with automatic, heat-regulated ovens, offer opportunities for gifts at almost any price.

These small electric mixers and beaters come in a low price range and save time-consuming work. Juice extractors are in the same category. But at higher prices there are machines which combine ability to mix, knead, beat, pare, extract, grind, mince; mechanical aids that solve the servant problem. In fact, few kitchen tasks have not been reduced to mechanical terms. After clothes have been washed and wrung by electricity the electric ironer takes all the pressure out of ironing day and when ironing day is done the ironer serves as a convenient table.

Cleaning house with vacuum cleaners, large and small, consumes much less time, infinitely less labor, than when broom and carpet sweeper reigned supreme, Incidentally, the small hand cleaners are good for clothes or car. Polishing the hardwood floors, bane of housewives, has been reduced to terms of whirling brushes motivated by electricity. Hot water for cleaning is always available when one has an electric heater installed. None of these items is priced beyond the reach of any home served by electricity.

Obsolescence is an important factor in industrial replacements. In many cases machinery may still function perfectly but must be retired from service because some newer type does the same job at lower cost. In the home, obsolescence has not been given a great deal of attention. Putting the home on a modern operating basis can be made to pay dividends and good business and fine sentiment can be combined at Christmas, as at no other time.

Gifts That Perish In Giving Delight

Gifts which last a day or an hour may stand as high in the receiver's mind and heart as those which are more durable. There are times when flowers mean a great deal to a woman, a dinner to a family without money or prospects of work is almost a fortune for the time.

Candies pass but the memory remains, and that is true of the cigar which perishes and which could not be enjoyed if it did not go up in smoke. It is true of cigarettes and of tobacco in all forms. It is true of ginger ale and other beverages.

CHRISTMAS BRINGS BOOKS WORTH WHILE

(Continued from page 18)

ton's life long associate, John W. Dafoe, editor of the Manitoba Free Press. "The Duke" by Philip Guedalla is a biography of the Duke of Wellington in the brilliant style of this finished English writer. A few people will find "The correspondence of Ellen Terry and Bernard Shaw" interesting. A wider appeal exists for "Everyman Remembers," the memoirs of Ernest Rhys, for many years editor of the Everyman's Library. There is a new biography of Florence Nightingale and an excellent study by Captain B. Liddell Hart of "Foch, the Man of Orleans". For modern British history the Marquis of Crewe's biography of "Lord Rosebery" in two volumes is recommended. Then there are a host of works on Gandhi, a new biography of Sir William Osler, "The Great Physician," a study by Andrew Maurois of Marshall Lyautey.

Philosophers are Busy

Science and philosophy have brought another work by Bertrand Russell on "The Scientific Outlook" unusually sensible but a typical Russell work. Julian Huxley has a book on the problem of religion and science under the title of "What Dare I Think," H. G. Wells has produced another monumental work, the last of a trilogy, "The Work, Wealth and Happiness of Mankind," a rather inclusive title which well describes the effort.

There is a good group of Canadian books this year. Bliss Carman's poems have been arranged by R. H. Hathaway and produced in one volume. Merrill Dennison's plays, put on over Canadian National Railways radio network last year, are published under the title of "Henry Hudson and other Plays." The excellent series of Canadian murder mysteries that were published in Maclean's Magazine and written by W. Stewart Wallace have been published under the title "Murders and Mysteries". One small book of interest is a collection of drawings done by A. Y. Jackson made on a trip northward from Labrador. This has a foreword by Dr. Fred G. Banting.

From the rich store of fiction that is presented it is exceedingly difficult to select titles for mention. Edna Ferber has published "American Beauty"; Willa Cather has struck a fine Canadian note in "Shadows on the Rock" a story of old Quebec in the days of Frontenac. Of course the outstanding fiction work of the season is "Broome Stages" by Clemence Dane, a British author. There are six hundred pages of real life of the British stage. Most of the favored fiction writers have new works out this season which will make excellent Christmas presents.

From the thousands of new books it is exceedingly difficult to make selections but these titles have been mentioned more by way of opening up a line of thought than for any other purpose.

By Wire and Cable

Can Send Christmas Greetings to Far Lands as Quickly as to Friends at Home

Reach for a cable or telegraph form,—that is what the thoughtful business man is doing to solve that awkward situation which invariably develops a few days before Christmas. The situation is painfully well-known to all,—the sudden remembrance of a far-away friend, forgotten until it is too late to use the regular mails.

The telegraph, cable and wireless companies are being called into use more and more each Christmas. There is that cousin in India; that sister in the south of France; that well remembered (for eleven months of the year) friend in London: how can they be reached with three days to go before Christmas Day?

There is only one solution and the cable companies have made it quite clear and easy in recent years. Ready-made greetings at a low price have proved their popularity, for each year sees a growing demand for this type of message. As a rule some fifteen or twenty messages ranging from Merry Christmas and Happy New Year to a flow of oratory which satifies the most confirmed sentimentalist are offered to the public at a fixed rate with the guarantee that it will be delivered on Christmas Day. Not the least attractive item in this proceeding is the decorated form on which these messages are printed for delivery; in short the utility companies have spared no effort to further a type of holiday business whch, besides providing a satisfactory answer to a vital public problem, also constitutes a profitable load for the wires.

Telegrams and cables are scarce in the life of the average householder. The arrival of a wire generally causes a flutter of some dimensions; a flutter which is magnified when the envelope is bordered with holly and cheerful trimmings and arrives on Christmas Day itself.

But Christmas greetings by wire are not confined to long distance messages alone. Canadian telegraph companies are building up a wide volume of what is known as intracity business whereby messages are delivered within the city limits of the town in which they are sent on Christmas Day.

Business houses are great users of this form. Instead of mailing out hundreds of greeting cards they have decided their customers would be more pleased if they received a personal message, in an attractively decorated envelope, delivered by a messenger boy on Christmas morning. Thousands of such telegram greetings are sent out each year; the cost is no more than a card and there is a touch in the personal delivery angle which has a great appeal.

Go Modern; Electricity Serves You

Divers Appliances Can Lighten Tasks of Housekeeping

Gifts that pay for themselves are always acceptable. Gifts, we mean, that pay dividends in time and money saved, that add to modern life those touches of refinement that a few decades ago were luxuries as yet undreamed of but which now are actualities within the reach of even the most moderate income. Combining practicability and economy with the true Christmas spirit, many electrical household appliances offer an interesting field for the 1931 model Santa Claus.

Time and Time Again

Great-grandmother made tallow dips; grandmother's chore was polishing the chimneys of the coal oil lamps; mother started housekeeping with gas lights; all these are relegated now to the limbo of the past. The harnessed power of distant water-falls is available throughout the land. The old mill with its mossy water-wheel is gone, the hum of turbines superseding. Industry has speeded up; adequate power, intricate machines, replace antiquated methods of manufacture. Labor-saving devices for the home there are now in plenty, powered by electricity, designed for efficiency, priced for economy. Few homes are equipped so fully that yet another modern device would not be acceptable.

Time, an antiquity, was measured by the seepage of water in a bowl. Today the method of the ancients is reflected in every variety of clocks governed by electricity. This is one of the latest fields in which electricity has been made to serve the home. Electric illumination is not new and yet there is a constant production of lamps ranging from the bizarre to the utilitarian which may be used to bring a cosy glow to more remote and shadowy corners. Decorative lamps, reading lamps, night lamps, sun lamps offer a wide range of choice.

Spit-Test Now Out-Moded

Electric coffee percolators that "perk" on breakfast tables the year round and halo the morning meal with an aroma of new-made coffee are replacing the time-worn pot that habitually boils over on the stove. Toast, as you like it, hot from the toaster conveniently placed; eggs timed to perfection, just jelled to hard; electricity, silent, efficient, serves your table. Quick meals on electric grills that cook three things at once; mid-night rare-bits, if you can stand them; crisp waffles à la sunny south; these and many more are possible from devices bearing famous names. And these devices are as suitable to the mansion as to the tenant of a one-room apartment.

The boudoir, as well as the breakfast table, is served. Electric curling irons—and what woman does not curl—eliminate the time-honored spit-test. Which, in passing, reminds that electric irons are now marketed with automatic heat control which can be set to the desired temperature, and of course electric irons can't last forever and may need replacing and new cords are in order and control switches are being made more and more convenient. Smaller irons, too, are made to smooth those female transparencies which, we are told, have outmoded canton flannel.

Nifty little immersion heaters are available that quickly heat the water for father's shave. Dad could also use an electric soldering iron. If the mercury went down unexpectedly during the night an electric heater throws a beam of comfortable warmth where it is required. These heaters, too, are mighty handy things to move about from room to room; few houses but could use one or even more. Fleecy warming pads have replaced the old-fashioned hot brick in taking the chill from beds and supplant hot water bottles in soothing the sick.

These and many more electric appliances are modern servants of the home. Long-lifed, efficient, economical both in initial cost and in upkeep, these servants have been evolved to make life easier for the housewife, to relieve the burden of domestic duties, to bring industry in the home up to as modern an operating basis as other types of industrial activity. Gifts that can relieve household tasks of drudgery, which until now has been inescapable, are lasting gifts that pay their way throughout the year.

Bond for Xmas

Some Canadians Give Children Bonds or Stocks to Promote Investment Zest

A certain Canadian manufacturer has never varied for a decade in the type of Christmas present given to his sons and daughter, and his children would be disappointed if he departed from his kindly custom.

Every Christmas day he presents each member of his family of five with a registered bond for $1,000. This year it will be a ten-year bond of the National Service Loan, last year Province of Ontario bonds were given, and the lists of securities thus accumulated by the children represent now every large Canadian municipality and a sprinkling of Canadian Corporations. Some of his children are adults with children of their own, and such presents are more helpful than ever.

The manufacturer has made only the stipulation that the bond should be kept. Each child could follow his or her inclination as to whether the revenue should be spent or saved. In every case the fund thus established has been conserved even after 21 years of age, and in the case of the sons later savings have been used to add to the nest-egg.

This idea of providing for children's future through Christmas gifts is strictly in line with the spirit of goodwill at Christmas, and is in fact an outstanding example of thoughtfulness for the permanent welfare of those receiving the gifts. Beyond the value of the gift there is a psychological value in that each child has had impressed upon it the advantages of saving and investment.

A Toronto merchant, while not following the rule invariably, has on different Christmasses given shares in a well known Canadian company to his children. He last did that in 1928 and he is doing it again this year because of the low market valuations of a number of companies in which he has long-term confidence.

Automobiles

New Cars Are Admirable for Winter Driving — Quicker Firing Attracts

Improvements in automobiles and the all-year use of cars by the majority of motorists combine to lead many people to buy new cars during the fall and early winter season instead of to wait until spring. These changed conditions give distinct advantages to Christmas buyers.

Ten years ago comparatively few owners drove their cars throughout the year. Now this is the common practice, due to better cars and the present efficiency of municipalities in clearing streets and roads after a snow fall.

A new car is also in the best condition for winter driving. The electrical system is in perfect shape, making for easy starting. Tires have sharp treads which will minimize skidding on icy surfaces. The well-insulated bodies of practically all recent models make for the utmost comfort. Moreover, the necessity for driving the first 500 or 1,000 miles at a relatively low speed will not irk the driver as it will in the tempting spring weather, and the car will be just nicely broken in and ready for the longer trips as soon as road and weather conditions beckon in the spring.

Above all, the trade-in value of a used car is obviously higher at the commencement of winter than it is after the turn in the year, when it is—theoretically at any rate—regarded as a year older.

Doubling for SANTA CLAUS

THE next best thing to having Christmas every day is to make Christmas day a *real* day. So elect yourself Santa Claus, and try your hand at dispensing holiday cheer.

It's easy to enchant your house with the simple magic of wreaths and glowing candles, heaped-up toys and mistletoe.

And it's easy to delight all those people who drop in to wish you the season's greetings simply by serving a Christmas snack built around the gold foil and emerald green of The Champagne of Ginger Ales.

And be sure to have Canada Dry — chilled and sparkling — to add a piquant touch to your Christmas dinner . . . to grace your table like a fine old wine.

Buy the Christmas Package

In fact, before the holidays come too close, make it a point to order an ample supply of Canada Dry in the special Christmas package. It is surprisingly inexpensive now because of the low prices. Both sizes of Canada Dry can be purchased in these handy cartons.

CANADA DRY

THE CHAMPAGNE OF GINGER ALES

Christmas Cheer . . . ready in a minute

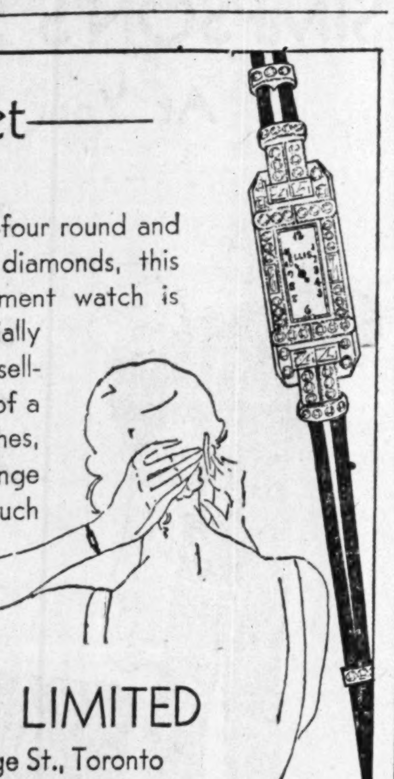
Toasted cheese "crisps" (spread on small slices of bread, and toast), pickled onions, stuffed dates set on holly leaves, and Christmas candies with your favorite chilled beverage — makes a charming little snack for your many Christmas visitors. A little studied planning, a little careful buying — enables you to get it together in a minute. And if you happen to be presenting a gift at the same time, just make it the centerpiece. — *Developed in the kitchens of Good Housekeeping Institute.*

ALL DRESSED UP

Gay with red ribbons and berries and holly leaves, the Special Canada Dry Christmas carton makes a delightful last-minute present. Christmas greeting cards are already attached to it. All you need do is drop into the store and order the carton sent. You can be sure it will meet with a welcome reception, too, for almost every one prefers The Champagne of Ginger Ales . . . almost every one wants an ample holiday supply.

Diamond-set

Set with fifty-four round and six baguette diamonds, this Geneva-movement watch is of platinum and is specially priced for Christmas selling, at $360. It is one of a group of new, slim watches, the prices of which range from much below to much above this illustrated example.



ELLIS BROS. LIMITED
Jewellers — 98 Yonge St., Toronto

FOR CHRISTMAS
BOOKS FROM TYRRELL'S

The passing years have revealed no gift more perfect than the well chosen book.

Come and see our choice selection of The New Books. But on the chance that you may have to telephone, here are some suggestions.

BIOGRAPHY

LORD ROSEBERY—by the Marquis of Crewe, 2 vols. $12.50
THE DUKE (Wellington) — Philip Guedalla ... $5.00
ELLEN TERRY and BERNARD SHAW—A correspondence $6.00
THE UNKNOWN WAR (The Eastern Front) — Winston Churchill $6.00
INCREDIBLE CARNEGIE — John K. Winkler ... $4.00
FOCH, The Man of Orleans —Liddell Hart $6.50
A GREAT PHYSICIAN — A life of Sir William Osler, by E. G. Reid $3.50
NELSON—by Clennel Wilkinson $4.00
THE WORK, WEALTH and HAPPINESS OF MANKIND — H. G. Wells, 2 vols. $7.50
RETROSPECTS OF A NEWSPAPER PERSON (Canadian) — P. D. Ross $2.00

FICTION

BROOME STAGES—Clemence Dane $3.00
A MAID IN WAITING — John Galsworthy .. $2.00
IF I WERE YOU — P. G. Wodehouse $2.25
ALL PASSION SPENT — V. Sackville West .. $2.25
SHADOWS ON THE ROCK — Willa Cather .. $2.50
FOUR IN FAMILY — Humphrey Pakington .. $2.50
WITHOUT MY CLOAK — Kate O'Brien $2.50
GOOD EARTH — Pearl Buck $2.00
THE SHINY NIGHT — Beatrice Tunstall $2.00

MYSTERY STORIES

NO FRIENDLY DROP — Henry Wade $2.00
PONTIFEX SON & THORNDYKE — Austin Freeman $2.00

You have every freedom to exchange or return.

TYRRELL'S
820 Yonge St., Toronto Kingsdale 6118

Depression Fades at Yule

Wide Range Xmas Sports Present Day

Sporting Goods Store Proves Mecca for Shopper

Every one knows the individual who claims that winters are not what they used to be. He can remember snow drifts six feet high early in November; when he was a boy, he says, things were different and those were the days of real sport. To console himself for the change in the times he draws nearer the roaring fire and orders a warming drink.

It is difficult to argue this point and observe the respect due to age. Could he play hockey on artificial ice with the temperature at summer heat outside when he was young? No, he could not. Were there special trains run for the convenience of skiers? Were there innumerable skating rinks maintained for the public? In short, were there the facilities for winter sports in his day that there are at present? There were not.

Facilities are Broadened

The truth is that the modern generation has learned to play on a much broader scale than the mid-Victorians or even the Edwardians. Men today work harder than they did 50 years ago and the majority of them play harder for the simple reason that facilities for so doing are generously provided by those whom it concerns.

Demand for sporting goods of all kinds has increased with extreme rapidity in recent years; the tremendous popularity of golf alone has accounted for a large part of this commercial growth. Tennis, too, has grown to be vastly stimulated by the Davis Cup matches while the statistics on the ski trade, if they are available, would show one of the most remarkable records of growth of any division in the history of sport.

Mecca for Shoppers

Small wonder, then, that the sporting goods store has become a Mecca for Christmas shoppers. Here, in a comparatively small area, one is able to buy for all members of the family regardless of age, with the exception, perhaps, of those who still cling to memories of 50 years ago. But even they play golf and may be provided for with a new club or a dozen balls.

The sporting instinct is still very much alive today. Skates for the young and skis for all ages, tennis, badminton and squash racquets, golf clubs and various accessories: there are, in fact, a thousand and one things in the sporting goods store which hold excellent potentialities for the harried Christmas shopper.

Buy for Next Summer

While the winter brings many wants peculiar to the season, there is no need to confine one's efforts to the immediate present. Think of next summer. Do they own a sail boat or motor launch? Does he fish? What about golf? You won't have to look far for a Christmas present in any of these cases.

Take lots of time, though, if you are going to a sporting goods store to look around, for there are ten chances to one that you will join the group in the corner and waggle golf clubs for half an hour. You will then try on a basketball catcher's mask and mitt; argue furiously over the fishing tackle; try on the latest ski harness and eventually leave the store forgetting what you went in for. The next day you can do it all over again, but it is well finally to make a purchase before the holiday season is over.

RUN YOUR EYE DOWN THIS LIST FOR CHRISTMAS GIFT SUGGESTIONS

For Mater:
- ☐ Evening cloak
- ☐ Fur-lined carriage boots
- ☐ Refrigerator (electric or gas)
- ☐ Stove (electric or gas)
- ☐ Jade and diamond necklace
- ☐ Run about motor car
- ☐ Electric double-slice toaster
- ☐ Silk lingerie
- ☐ Fur jacket
- ☐ Old English tea service
- ☐ Bridge table
- ☐ Painting
- ☐ Place plates
- ☐ Over-night fitted bag.
- ☐ Electric clock
- ☐ Grandfather clock
- ☐ Radio
- ☐ Cutlery
- ☐ Nest of tables
- ☐ Elizabethan Court cupboard

For Pater:
- ☐ Golf outfit
- ☐ New book
- ☐ Box of cigars
- ☐ Smoking jacket
- ☐ Dressing gown
- ☐ Necktie
- ☐ Spats
- ☐ Cane
- ☐ Humidor
- ☐ Watch
- ☐ Meerschaum pipe
- ☐ Hand-tooled leather desk set
- ☐ Miniature of Mother
- ☐ Dressing Gown
- ☐ Tantalus set

For Sister:
- ☐ $1,000 bond
- ☐ Bunny coat
- ☐ Grand piano
- ☐ Evening dress
- ☐ Riding togs
- ☐ Electric waffle iron
- ☐ Mandarin coat
- ☐ Ping pong table
- ☐ A string of pearls
- ☐ Perfume
- ☐ Leather purse
- ☐ Opera glasses
- ☐ Leather sports coat

For Brother:
- ☐ Shares of stock
- ☐ Skates
- ☐ Skiing outfit
- ☐ Cigarette box
- ☐ Ties
- ☐ Socks
- ☐ Handkerchiefs
- ☐ Cigarette lighter
- ☐ Camera

For Business Associates:
- ☐ A Box of cigars
- ☐ A new book
- ☐ A fountain pen
- ☐ An ink well
- ☐ Ash tray
- ☐ Any desk convenience
- ☐ Case of ginger ale or other beverage

For the Stenog.:
- ☐ A box of chocolates
- ☐ Gloves
- ☐ A cheque
- ☐ A new typewriter
- ☐ An alarm clock

For the Sick:
- ☐ Silk eiderdown
- ☐ Electric pad
- ☐ Small pillow
- ☐ Thermos set
- ☐ Night light
- ☐ Bed-tray
- ☐ Flowers
- ☐ Bed jackets
- ☐ Books
- ☐ Calves foot jelly
- ☐ Fruit
- ☐ Bedside radio

For Those in Need:
- ☐ A cheque
- ☐ Coal
- ☐ Clothing
- ☐ Turkey
- ☐ Hamper
- ☐ Box of Christmas apples
- ☐ Christmas beef
- ☐ Plum pudding
- ☐ Candies for kiddies
- ☐ Nuts
- ☐ Raisins
- ☐ Dates
- ☐ Oranges
- ☐ Grape fruit
- ☐ Christmas crackers
- ☐ Box of biscuits
- ☐ Filled stockings

Wide Choice New Clothes For Men Now

Many Attractions This Year for Modern Beau Brummel

One of the things which point to a bigger and brighter Christmas is the fact that full dress evening clothes are being bought in increasing quantities this year. Experts in men's fashions declare that no longer is the modest dinner jacket being shown alone in stores for men, but that its more formal brother, the tail coat is more prominent than ever before.

What is known as "full fig" is evidently to be the order of the day this year, white waistcoats and opera hats will now distinguish the man indubitably from the waiter. One store reports that it placed opera hats on display recently and sold more than thirty-five in two weeks, sales of evening capes for men have been active; indications are that men will have to look to their wardrobe this winter.

Probably at no other time in the past decade have men's clothes been at their present price level. Suits, overcoats, and shirts are relatively cheap today; tailors and haberdashers are taking advantage of this and are presenting unusually attractive samples of their wares.

Any article of wear is welcomed by the average man as a Christmas present, and shoppers will find a wide range to choose from in the many stores which cater to the needs of men's wear.

Stimulate Hat Interest

Merchants say that particular attention is being devoted by hat manufacturers to the stimulation of interest in headwear. New shapes and colors for 1932 are being evolved and reports state that green will likely be the popular shade for next year. Various grades of this color will make their appearance such as Kilty green, Swiss green and the old familiar term Bottle green.

Shirts are always an important consideration and this year many excellent brands are available. Ties enter into the same category; one department store is featuring a "Tie of the Week" which is usually sold at a popular price.

Controversy still rages around the question of double-breasted versus single-breasted suits but this is a point which can only be decided by the purchaser. Both styles are still popular and both possess merits of their own.

Everyone Snaps Photos

All down the history of modern camera manufacture two main objectives have been kept in view; first to make the taking of pictures so simple that the veriest novice might be able to take good pictures under any normal conditions and secondly to make the camera and other equipment light in weight and beautiful to behold. Both of these tendencies have been demonstrated recently in important advances made in camera manufacture.

The modern camera that is sold for general use is a model of simplicity. It may have a wide range of shutter speeds, of diaphragm openings, but even these are simplified and well marked. In the ordinary everyday camera there have not been many important recent improvements in technical design as these were hardly needed. All that was needed was to continue the process of simplification.

Very important improvements have been made however, in films. Kodak has its verichrome film that is slightly faster in ordinary daylight than the ordinary Kodak film and considerably faster in the early morning and late afternoon hours when light is very tricky. There are other qualities to the verichrome film that the camera amateur appreciates, its factor of color correction, enabling a widening of the camera day and enabling also better color values in nature and in portrait snapshots, is its chief asset. Afga has gone off on a slightly different tack, producing the plenachrome film, which doubles the speed under any conditions without particularly altering the color correction.

Cameras can be bought anywhere from 79 cents to many hundreds of dollars, depending upon construction, lenses, etc. They make ideal Christmas gifts whether one selects the ordinary box camera sold in drug stores at from $1 up and suitable for a beginner, or the high speed Graflex or Dallmayer, taking pictures in the thousandth of a second and providing sharp focussing through the reflecting mirror which permits the operator of the camera to see the picture before it is taken. These cameras cost roughly from $57 up, depending on size, equipment, etc.

In between is a vast range of cameras, varying in price and adaptability.

It is not difficult to select a camera for a Christmas gift. A camera is a universal gift and there are cameras suitable for any person from the twelve year old boy to the 70 year old grandmother—from the novice to the advanced amateur.

Best Car is Cheapest

The wealthy man who wants to buy the best motor car motordom can produce has a bewildering array to choose from this year. Test the new cars in terms of power, luxury and reliability and in all three there will still be a large range for choice. Makers of these cars also claim that the higher prices asked do not, over the whole life-time of the car, cost the buyer more than if he bought a medium-price car.

In other words, makers claim that though first costs are higher depreciation write-off is lower and that the uninterrupted service and long life of the best cars brings the total average yearly cost within the range of the medium-priced cars. Summing up, the owners say the best cars will last longer, will look better while they last and make the owner feel better and prouder. They state that a $4,000 car running seven years will cost no more in capital outlay than a $2,500 car running four years when the quicker rate of depreciation of the cheaper car is taken into consideration.

The manufacturers of big cars therefore do not believe in an annual radical change in design. This very fact has had its drawbacks for dealers and salesmen who find it hard to persuade customers to trade in their old high-quality car for a new one, the answer to such a proposal all too frequently being, "Why should I want to get rid of my present car—it still runs perfectly?"

It is largely the knowledge that the makers will not make any startling visible changes from year to year which leads the buyer to invest in "comfort, reliability and long service."

Buy the Best Old Masters Aye in Style

Centuries Only Add to Value of Best Antiques

Discerning buyers of Christmas presents, who wish to employ their money in a way which will be of enduring benefit, need never fear buying the best in furniture, old rugs, tapestries, silverware, chinaware, paintings, statuary. Except for chinaware and paintings whose fragility need not prevent long service, the best examples in all these departments are built of enduring materials which, when united with the highest craftsmanship, perpetuate forms of beauty which "custom will never stale."

Look back through the ages and one sees certain names shining through whatever changes in style have come about. Because centuries may have elapsed since they wrought, need one ever blush at owing a cabinet made by Chippendale, a house designed by Adam, a vase made by Wedgwood or silverware designed and fashioned by Paul de Lamierie whose career as a silversmith in London from 1712 to 1751 set the pace for all the great silversmiths since that time? That which is genuinely good and beautiful in 1931 and made of enduring materials will be so in 2031 if it has been taken care of, and in many cases may have with age improved in value.

What was shoddy, stuffy and showy in Victorian furniture and work is only now beginning to fall away that people of today can once more look back on real accomplishment in that period, but modern study of the best surviving work of the Charles, Queen Anne and the Georgian periods and growing familiarity with contributions made in every clime and age to knowledge of design inform to an astonishing degree the offerings now made for critical buyers of today. If one has the money today there is no limit to the effects which may be created at less cost than for many decades.

In a time of turmoil and unrest it is well to remember that some of the most prized possessions of civilized people today are things of beauty, which have come down through centuries of war, intermittent booms and depressions and periods when all social and economic values changed greatly.

Some of these, and along with them other things created today, will be prized some centuries hence. All that are needed in any age to assure permanency when durable materials are used can be summed up in the phrases, "genuine worth" and "hall-mark of merit".

Quebec Dairying Active

A report issued by the Quebec Department of Agriculture shows that during the first seven months of the year, 4,407,957 pounds of butterfat were delivered to cheese factories; 28,172,306 pounds to butter factories. The production figures for the period are: cheese, 11,540,281 pounds and butter 34,104,385 pounds.

Movies at Home

Taking Pictures and Showing Them is No Trick at All These Days

Motion picture cameras are getting to be about as common as still cameras were ten years ago. Few people who can afford it now go away on a trip, on a vacation, or even indulge in a Sunday of outdoor activity without taking along a motion picture camera, and that phrase "who can afford it" requires some explanation, for motion picture cameras can now be bought for considerably less than $100 while 100 feet of film which takes about 10 or 12 minutes to run off and permits 40 or 50 different subjects to be taken in intimate picturization can be had for between $5 and $9, depending on the film.

Taking movies is simplicity itself. One merely points at the subject and either presses a button, if there is a spring mechanism, or turns a crank if there is not. Beyond seeing that the aperture adjustment is suitable to the occasion there is nothing more for the operator to do. He sends his films, when they are complete, back to his camera shop and the camera shop in turn has them reversed, producing a positive on the negative film. They are then ready for projection. Small projection apparatus can be purchased quite inexpensively.

On the other hand it is possible to invest quite a considerable sum of money in motion pictures. If a person desires to go into it as a hobby and with a desire to perform all the tricks himself he can spend up to several hundred dollars on his camera, he can buy a tripod, special lighting equipment for home motion pictures, titling equipment for making his own titles, and an infinite variety of aids to perfect pictures.

Even motion pictures in full color are possible with the new equipment and taking pictures in color is no more tricky than taking them in black and white.

The newest of course is to adapt talkie apparatus to small motion picture equipment, so that it is quite possible for the amateur enthusiast to take his own talkies of himself and his friends and to show them at home. In this field one gets into something a little more complicated.

Motion picture equipment is rapidly becoming one of the most important of Christmas gifts.

Civilized Cutlery

Eating Peas With Knife Was Right Way Once — Spoons in Stone Age

As each century rolls away into the past it leaves as endowment for the new one just born greater progress in civilization and a wider distribution of its benefits than when it began.

The knife and the fork and the spoon at the table, once had to elbow their way into use against the frowns of high society and almost the anathemas of the church. The modern who eats peas with a knife—and you will have to search for such a man far and wide as he modestly hides his prowess in this respect—would have been in high and orthodox company seven centuries ago.

The fork is a parvenu of a few centuries but the spoon probably goes back to before the stone age.

The appointments of the modern dining room table shake hands with ancient history and the degree to which appreciation of beauty and refinement has proceeded in any household can often be best seen in the way in which the table is set forth.

Conversation around such a table tends to live up to the discrimination shown in selecting these articles which are an inevitable accompaniment of civilized life. Wit may sparkle with the soft white glow of the silver and the glancing points of light from glass-ware. The eye joins in the palate's revel when viands, desserts and dainties come in appropriate dishes and with gleaming cutlery.

more welcome than ever!

In special Christmas Wrappings

THERE'S much to be said in favor of the custom of giving to clients, friends, employees and to business associates—a box of cigars at Christmas.

This year should be no exception—in fact your gift this year will be received with even greater appreciation. *And for this purpose choose Tucketts Preferred Cigars.*

This cigar, made in Tucketts modern, sanitary factories, is an imported cigar in all but name. Choice imported filler, grown and blended in Havana—carefully and skilfully made into perfect and uniform cigars, individually wrapped in cellophane to keep them factory fresh—Tucketts Preferred is in every way a cigar worthy to convey your Christmas greetings.

This Christmas give

TUCKETTS
PREFERRED CIGARS

Panetelas - 2 for 25c
Conchas - 10c Epicures - 2 for 25c Perfectos - 15c
Palmas - 3 for 50c

Men! You Can Always "Say it With Flowers"

Flowers make a tactful and always appreciated gift, a gift that is in good taste yet not expensive.

As easy to buy and send as lifting your telephone. Thousands do this every Christmas at Dunlop's.

Dunlop's Limited

Call Adelaide 7404-7405-7406.

Flowers Telegraphed to all parts of the world.

8-10 Adelaide St. West Toronto

Give her a TRIP for CHRISTMAS

Take her away from it all

We believe that a gift—which can be guaranteed not to leave a woman cold—is a glamorous trip into tropical sunshine.

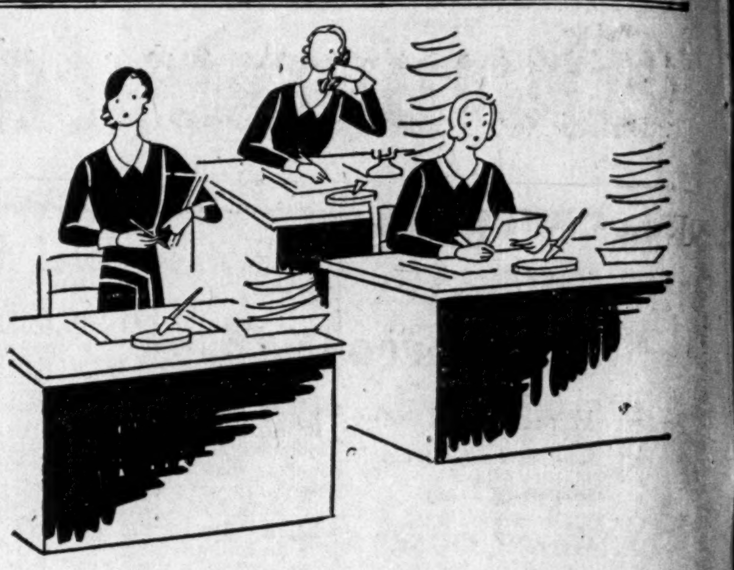
As General Steamship Agents we make reservations and issue tickets over any line at tariff rates.

As General Tourist Agents we make every conceivable arrangement for your convenience far in advance. For complete information apply to

GLOBE TOURS, LIMITED, TORONTO
Agents For All Steamship Lines
44 Adelaide St. W., AD. 6242 (3 lines)

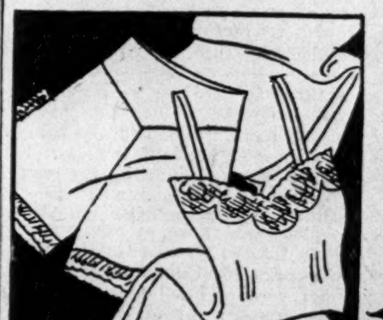
Choose from 125 Trips and Cruises
Bermuda
West Indies
Mediterranean
Round the World

In Bermuda, Canadian currency is accepted at par. Particulars on request.



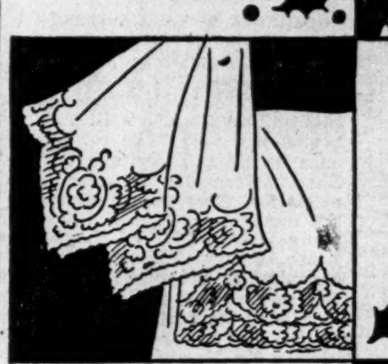
YES, SIR!

"Pick out something nice," says the Bachelor man, regardless of size, shape, or shade. But SHE will want to be sure they are fashioned in Belgium or Paris, following fashion's latest silhouette—and it takes a Shopper to properly choose.



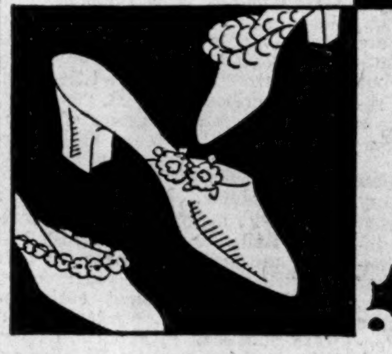
LINGERIE
Sheer wisps of "undies" utterly feminine and fascinating and a world beyond male discrimination

HOSIERY
Nothing could be smarter if they're shade-right, style-right, and perfectly finished.



HANKIES
As light as laughter, and happy as the hour—for evening, and the ball.

PYJAMAS
A 'dream' in themselves, provided they're hand-made, fashion-silhouetted, and come from 'cross the seas.



MULES
Her leisure hours will be lovely hours, in a devastatingly irresistible pair of mules.

SIMPSON'S SHOPPERS
At Your Service!

Phone, write, or come and have the Shopper shop with you.

ADELAIDE 8711
Sixth Floor

THE ROBERT SIMPSON COMPANY LIMITED

Christmas Gifts Get Double Welcome in 1931

Catto's Christmas Gifts in Linens

Buying Christmas gifts is often a difficult problem. Do you wish to give something this year that will last, something that will keep you in remembrance for years to come?

If so we would suggest you give
Linens from Catto's

Nothing will be more useful or more appreciated and when they are delivered in a Catto box the recipient knows she has received dependable quality.

Our Christmas stock is complete with a select range of the following lines:

Linen Damask Table Cloths and Napkins, Filet and Cut Work Dinner and Banquet Cloths, Bridge and Breakfast Sets, Linen Huck Towels, Fancy Guest Towels, Embroidered Pillow Cases, Madeira Tea Napkins, Cocktail Napkins, Ladies' and Gentlemen's Linen Handkerchiefs of all kinds with a host of other articles suitable for Christmas gifts.

Mail and Phone Orders Carefully Filled

John Catto Co. Limited
219-23 Yonge St., Corner Shuter St.

Ontario Fire Losses Heavier in October

Fire insurance losses in Ontario during October amounted to $1,520,470. Loss not covered by insurance was $320,501, making total of losses, $1,840,971. The number of fires involving this amount was 1,322, or 44 more than October, 1930, when losses amounted to $1,278,486.

There have been 863 more fires this year to date in Ontario, than in the same period last year, the total being 12,622 and the aggregate of losses $13,286,814; this sum, however, shows a decrease of $47,088. Insurance losses at $10,578,518 for the ten months were $361,682 less this year than last, while the loss not covered by insurance was $314,594 heavier at $2,708,296.

Jamaica Public Service Earnings Are Maintained

From Our Own Correspondent

MONTREAL.—On the basis of conversion into Canadian dollars at par, gross income of Jamaica Public Service and subsidiary companies for October amounted to $64,606, a decline of less than $3,000 from the same month last year. There was a corresponding decline in net earnings and the surplus after charges amounted to $14,291, as against $17,469 in October, 1930.

Cumulative returns for the 12 months ended October 31, showed gross earnings of $833,520 and net earnings of $342,330. Surplus after charges amounted to $233,024. In the preceding 12 months period gross income totalled $825,379, net earnings $334,616, and surplus after charges of $245,389.

Lyall Elected Member Montreal Stock Exchange

From Our Own Correspondent

MONTREAL. — William T. Lyall, partner of Crane and Co., brokers, has been elected a member of the Montreal Stock Exchange. Mr. Lyall is also a member of the Montreal Curb Market. F. E. Crane is the only other partner in the firm, which has held a membership on the Montreal Curb Market practically since its inception.

Toys for Dad to Play With Xmas Morn

Toy-Buying Reduced to Science by Child Study

AGE OF ROBOTS

Mechanical Toys Indicate Just What Civilization Has Come to After All These Years

"Breathes there a dad with soul so dead
Who never to himself hath said
Christmas may bring the kids their joys
But I'm the one who'll play with the toys."

* * *

For fathers old and young the first big thrill of the Christmas season comes when they enter the toy department and go through the pretense of buying toys for the young boy of the family. We say the pretense of buying toys for the boy because most fathers buy the toys that they will want to play with themselves on Christmas Day. When the Guvnor takes home a construction set or a game of Parcheesi he knows that he is going to have one grand time showing young Bill how a moveable crane or an Ambassador Bridge really ought to be built or how Parcheesi ought to be played. And as the first game of checkers reposes on the shelf in the cupboard father can hardly wait for Christmas morning to show his own superiority at the fireman's national game.

It's a Robot Age

If one wants evidence that we live in a mechanical age he gets it in the toy department of any up-to-date store. Electric trains with the most amazing equipment are the biggest fascination and one envies the presidents and traffic managers of some of the larger American railways who work out their daily problems with miniature yards all set up with small electric trains. Then there are mechanical automobiles, dirigibles and airplanes in infinite variety. Construction materials provide novelty every year. The games are the same old games for the most part although an occasional Camelot comes on the scene. As for the toys provided for the youngest ladies of the household, these are something best left for mother or sister to buy. To us a doll is just a doll and a sewing machine something to get out of order.

This business of buying toys has all been reduced to a science, proving that psychology and happiness can go together. Harriet Mitchell, director of the Division of Parent Education of the Mental Hygiene Institute, writes about it in the December "Chatelaine." Probably the women of the family have read the article but some of the men may have missed it so we quote generous extracts from it including the table at the end that solves the whole problem of toy buying:

"The choosing of toys and playthings merits the same intelligent consideration that parents give to providing the food elements essential to wholesome physical growth," says this writer. "Play is just as important to the best development of the child as are food and rest. It is largely through play that he becomes educated. Through the experimentation that goes on during his play—the handling, touching, rolling, pushing, pounding, balancing—the infant learns about the things that make up his world. He finds out what he can do to them, and what they can do to him. Through play the child learns to co-operate with others; leadership and fellowship are encouraged through group play and games.

Taking turns and sharing are necessary lessons of living that are learned most easily and naturally through play. By means of play activities a strong and healthy body is developed and muscular co-ordination gradually perfected.

Play is Hard Work

"During the later pre-school period, play interests are largely attempts to reproduce the immediate environment in which the child lives. With his toys and playthings he recreates a little world and by living through the homemaking, storekeeping, child-caring activities, he learns to understand something of the feelings of others; he becomes able to put himself in another's place—the basis of sympathy and tolerance. Play also provides the child with opportunities for creative self-expression. The child who has suitable materials and toys at hand is stimulated to work out his own ideas, thus exercising initiative and independence and habits of constructive activity and planning. Play is the exerciser, par excellence, of desirable skills, habits and emotional attitudes.

"The above brief summary of some of the constructive values of play is sure to give the thoughtful parent a new respect for toys and playthings. Play is not just amusement. To the child it is the most serious business of life. Play is his work. Playthings are his tools."

Apparently there are rules to follow. Anyway these rules are presented:

"Careful investigation of children's play activities and interests have given us a few general rules that will help in suiting the toy to the child and in planning for his all-round play needs. First, it is important that it be something that the child can 'do with.' It must encourage self-activity and stimulate imagination. Examples are the Tinker Toys, building blocks and handwork materials—clay, raffia, paper, scissors, cut-outs and so forth. Second in importance, the toy or material should be suited to the child's mental and physical development.

Toys May Be Boresome

"For example, many manufacturers seem to make toys on the principle that the younger the child the smaller the toy should be. The converse is true. Within reasonable limits the little child who has not yet learned to co-ordinate should be given large toys that will exercise the large fundamental muscles—large dolls, large trains, large blocks. Again, the elaborate mechanical toy that will delight the heart of the ten-year-old is merely an invitation to boredom and destructiveness for the toddler. By providing unsuitable toys we are apt to encourage the formation of quite undesirable habits that form so very easily.

"The third rule is that toys must be well designed and durable. Good toys and playthings are more expensive than poorly made ones. Yet the wringer that won't wring, the hammer that breaks at the first hearty whack, the chair that is incorrectly designed and uncomfortable to sit on, the glued furniture that goes to pieces after reasonable use—surely these cannot be called cheap at any price. Children are active and unskilled. If we wish to build up habits of responsibility for the care of toys and materials, we must provide the kind of playthings that will stand real use."

Divide Them Up

There are six kinds of toys and each child should get a selection of each. At the different age levels it would be wise to select one or two toys or materials that fall under the following classes:

1. Physical exercisers: (Kiddie kars, boxing gloves, etc.).
2. Sense developers: (Xylophone, sand, colored beads).
3. Toys for make-believe: (Dolls, laundry equipment, etc.).
4. Handwork materials: (Paper and scissors, raffiai).
5. Building toys: (Blocks, toys, etc.).
6. Games.

Now For That Guide

Here is the guide all worked out for troubled fathers:

A Guide to Toys and Play Materials For Children

One to Three Months—
Rubber ball and doll.
Rattle.

Three to Six Months—
Rubber toys.
Spools.
Keys on a ring.
Aluminum cup and spoon.
Paper to crumple.
Small ball.

Six to Nine Months—
Mirror.
Wooden beads on a string.
Leather reins with bells.
Small hand bell.
Pie tins and spoons.
Clothes pins.
Large ball.
Bathtub toys of celluloid.
Tinker toys.

Nine to Twelve Months—
Small drum or Japanese gong.
Basket for toys.
Stuffed animals.
Wooden and rubber dolls.

Toys for the Baby Beginning to Crawl or Walk—
Large balls to roll on the floor.
Small kiddie kar.
Rocking-chair horses.
Floor toys to push and pull; wooden train, etc.
Several brick-sized wooden blocks to push and lift (2 x 4 x 10 inches).
Toys to pull with strings.
Doll carriages.
Low swing—low enough to touch his feet.
Strong chair to sit on and push about.

Toys for the Two-Year-Old or Runabout—
Sand-box and colored stones, sand toys, pails and molds.
Balls: large, soft, wool, etc.
Wooden blocks (4 x 4 x 4 inches) and also more brick-shaped blocks.
Spools, rattle with bells, tambourine.
Block nest.
Washable dolls — rubber or wooden.
Linen and heavy cardboard picture books.
Wagons.

Toys For The Child Two to Five Years—
Board swing.
Walking beam.
Slide.
Sled.
Wheelbarrow.
Train of cars.
Broom and snow shovel.
Horse reins.
Balls of all sizes.
Large floor blocks of different shapes.
Musical toys.
Hammer and nails and soft wood.
Colored beads for stringing.
Telephone.
Bean bags.
Dolls—unbreakable, washable.
Cooking utensils for dolls.
Doll furniture.
Laundry equipment for dolls.
Stuffed or wooden animals.
Tools—real ones.
Sand.
Toy animals; Humpty Dumpty Circus.
Modelling clay, plasticene, paints, chalks, paper, paste, blunt scissors, blackboard.
More books.

Toys for Children From Six Years On—
A child of over six years needs many of the toys already mentioned and others.
Sewing materials.
Tools and work bench.
Musical instruments.
Gymnasium apparatus.
Balls.
Boxing gloves.
Punching bag.
Skis, skates, snowshoes.
Sleds, wagons.
Dolls.
Doll furniture.
Real cooking sets.
Modeling clay.
Handwork materials of all kinds.
Electric trains, Meccano and Erector sets.
Real dishes.
Small sewing machine.
Small electric iron and other usable laundry equipment.
Typewriter.
Printing press.
Stamp books.
Games of all sorts.
Globes and maps.
Books.

REFRIGERATORS USE MUCH INSULATION

5,000,000 Sq. Ft. Used in Refrigerator Cars in 1929

Among specialized markets for insulating materials in Canada the domestic refrigerator ranks high. This outlet for insulation material, however, has recently shown some decline, largely by reason of the fact that some of the larger Canadian manufacturers find it cheaper to import the finished boxes from the United States, according to a survey made by the U. S. Department of Commerce.

Statistics for 1929 covering the entire Canadian market show that of 875 refrigerator cars placed in service in Canadian railways in that year, 810 were freight refrigerator cars and 65 express cars. The chief insulators used in this construction are hair-felt products — mainly of Canadian manufacture—but other materials employed include wood-fibre insulating boards and sawdust. In the year mentioned approximately 5,025,000 square feet of board block and blanket insulators were used in refrigerator-car construction, according to the report.

No definite data are available on the use of insulation in automobile panels, radio cabinets, etc. One American firm sells considerable quantities of its product to Canadian automobile body manufacturers, who use the material as tops for sedans and other closed cars.

Can. Tanneries Output Declined 23 p.c. in 1930

Products of Canadian tanneries during 1930 had a total value of $19,936,315 which showed a decrease from the previous year of $5,870,850, or 23 per cent, this being largely due to reduced prices in addition to somewhat reduced consumption. It nevertheless constituted the lowest value produced since 1921, the average for the nine preceding years having been $27,100,000, the best year, 1928, totalling $35,202,000.

A few instances of lower prices are as follows: Cattle hides averaged 12½ cents per pound in 1930, compared with 17 cents in 1929; calf and kip skins 28½ cents compared with 29 cents; pickled sheep skins 20½ cents compared with 29 cents, and goat skins 42 cents compared with 50 cents.

Exports of Canadian-tanned leather in 1930 had a total value of $4,722,852, compared with $7,311,822 in 1929 and $10,926,870 in 1928. Of the 1930 total, the United States took 70 per cent and the United Kingdom 23 per cent.

Imports of unmanufactured leather was valued at $4,464,224, as against $6,197,514 in 1929 and $6,293,559 in 1928. United States supplied 81 per cent and the United Kingdom 16 per cent of the 1930 imports, the latter showing the bigger reduction.

Great West Life Starts New Conference System

For the purpose of co-ordinating the activities of the newly appointed branch managers of the Great-West Life Assurance Co., a new plan of round table conferences was inaugurated at meetings in Toronto and Montreal recently, at which C. C. Ferguson, general manager of the company, was present. H. W. Manning, assistant general manager, acted as chairman.

A further meeting will be held in Regina at which all branch managers who have not attended the aforementioned meetings will be present.

The new system of frequent conferences at key centres, in addition to its direct value to the individuals concerned, will bring to bear on company problems a wealth of knowledge and experience represented by men of proven ability.

Dr. Mann, who for six years has been one of the company's medical referees, has now been appointed chief medical referee.

1,030 Canadians Emigrated Across Border in October

Canadians emigrating to the United States during October numbered 1,030, bringing the total for the four months ended October 31, 1931 up to 4,167, according to a report of the bureau of immigration, U. S. Department of Labor.

Immigrants from the United States entering Canada in October numbered 170, the total for the four months period being 698. Of 1,663 aliens deported from the United States during the same four months, 851 were returned to Canada.

GEORGE C. COCHRANE has been appointed district manager at St. Catharines, Ont., by the North American Life Assurance Co.

COCKTAIL JACKETS
Imported exclusively for Toronto by
MRS. REDMOND D. BLACK
Mandarin Coats, Embroideries, Linens, Jewellery and Christmas Gifts of all kinds.
BLOOR-BAY BUILDING, TORONTO
(Madame Senior's Salon)

"WISH IT WITH WOOL"
REGENT KNIT
OUTER and Sports Wear
THE REGENT KNITTING MILLS LIMITED
Head Office—MONTREAL
Mills—St. Jerome, Quebec, and Guelph, Ontario

The Best Way to wish "A Merry Christmas" is to say it . . . YOURSELF

Johnson is a real fellow, like most men who manage a business. When Christmas comes along he likes to send a friendly word to the people he has been dealing with all year — customers, competitors and associates alike — particularly to those who are out of town and whom he does not see very often.

So he telephones them. His good wishes by telephone have a cordiality no other form of greeting can approach and the man at the other end of the wire appreciates the compliment of such personal contact.

Long Distance now is so quick, easy and inexpensive that it is the most comfortable way of sending a Christmas greeting. Put in a list of calls while you sit at your desk and do it early enough to let us show you how speedy and courteous this Christmas service can be.

THE BELL TELEPHONE COMPANY OF CANADA

Husbands!— Fathers!

Lowest Fur Prices in Our History Make This the Christmas of Years to

Give "Her" Furs

HOLT, RENFREW fur values have never been as outstanding as they are this year. Prices that led Canada all season for value have been reduced to a point where they are truly remarkable. Let us help you to make "Her" so happy with a luxurious gift of furs. Our competent salespeople will be only too glad to give you every assistance possible.

We have listed below a few models typifying the unusual values as well as the wide range of prices.

"Holt, Renfrew Values Invite Comparison"

White Bunny Coats from $79.50
Pony Coats from $89.50
Caracul Kid Coats from $103.50
Muskrat Coats from $112.50
American Broadtail Coats from $135
Hudson Seal Coats from $189.50
Squirrel Coats from $295
Persian Lamb Coats from $345
Caracul Coats from $395
Kolinsky Coats from $435

Mosul Broadtail Coats from $485
Ermine Wraps from $800
Mink Coats from $1,000

Fur Scarves
Silver Foxes from $49.50
Stone Martens from $60
Hudson Bay Sables from $125 a pair.
Russian Sables from $245

Holt, Renfrew & Company Limited
Yonge at Adelaide, Toronto
Store Open Until 6 p.m. Every Night to Christmas —Saturdays Until 10 p.m.

Money Talks Best at Christmas

From Dad

A NEWER KIND OF GIFT

THIS Christmas, the thoughtful Dad's gift to the family will be a New Noiseless Portable Underwood typewriter . . . bringing a new meaning into their writing . . . the opportunity to develop concentration and self-expression . . . a real incentive for accomplishment. This personal writing machine will thrill them beyond your fondest hope, with its graceful design—convenient size—attractive coloring—absolute quiet and easy operation, and a host of new features that are exclusively Underwood. Mother, daughter and junior will delight in the all year round convenience of such a useful gift . . . Dad, too! will be delighted for having kept within his Christmas budget. Priced so low—buying made easier still with liberal extended payments—as little as $10.00 down. Use handy coupon NOW.

The NEW Noiseless PORTABLE UNDERWOOD

The New Standard Portable with its smart lines—sparkling colors and new mechanical features identically the same as its big brother . . . the Standard Underwood carries an irresistible appeal to everyone. It, too, is priced so low, and is easy to buy—for as little as $5.00 down.

MAIL THIS COUPON

UNITED TYPEWRITER CO. LTD.,
Without obligation, please send me illustrated booklet describing the New Noiseless and Standard Portable Underwood personal writing machines.
Name ....
Address ....

UNITED TYPEWRITER COMPANY, LIMITED
135 Victoria St., TORONTO. 637 Craig St. W., MONTREAL, QUE.

A Trip to China

Gwendolen Got Great Treat of Her Life in Form of Christmas Gift

Gwendolen had loved all beautiful things Oriental from jade to pagodas and read all that she could buy or borrow concerning China and Japan. On several occasions she had saved almost enough money to pay her expenses for a trip to China via Japan and return when some family event made her generously share her surplus.

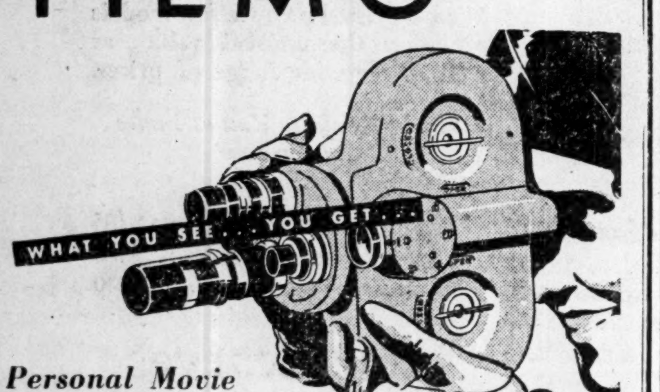
She had almost given up thought that she would be able to study the lands that so much interested her when one day her wealthiest uncle said to her, "Gwendolen, would you like a trip to Shanghai and return for a Christmas present?"

Would she! That happened three years ago but Gwendolen is still paying dividends of gratitude to her uncle for what has been the outstanding Christmas present of her life.

Her memories are not only of China; she will never forget the trip to the Coast with a compartment all to herself; she will always remember the stirring, adventurous life on shipboard both going and returning; even today she adds to the satisfaction given by the trip itself because of the rich background of reality behind her favorite reading.

Give this finest of Gifts

FILMO



Personal Movie Equipment by BELL & HOWELL

When you give a Filmo Personal Movie Camera, you are giving the means to the greatest pleasure in the world . . . movies of the children and the family, of sports, vacations, and travels. Come in to-day for a demonstration.

Exclusive Canadian Distributors

ASSOCIATED SCREEN NEWS LIMITED
5271 WESTERN AVENUE, MONTREAL
Tivoli Theatre Bldg., Toronto, Ont. Empress Hotel, Victoria, B.C.

Retail Dollar Goes Much Farther Today

Check-up by The Financial Post Shows Prices to Consumer Reflect Downward Trend

Whether it's Christmas shopping or just everyday purchases, the buyer in December, 1931, will find prices in Canadian retail stores substantially lower for most items than they have been for many years according to a survey made by The Financial Post.

To generalize is difficult because all prices have not changed equally but if it is foodstuffs you are buying, your dollar bill today will do the work of $1.30 a year ago. Two years ago it would have cost you $1.45 to buy the same merchandise. In retail goods other than foods, and excluding rents and services, your dollar will buy what it would have cost you $1.10 to buy a year ago, and if you enjoy bargain hunting you can do considerably better than that in most lines.

Quality Items Lower

Among a great many people there is a firm belief that this much-touted price decline has not affected quality merchandise they buy but that it only made itself felt in cheaper lines of goods. With a few exceptions this is not true as The Financial Post proved by actually visiting stores where only the very highest-priced merchandise was handled.

The chief exception to this rule was imported merchandise such as woollen goods and so forth, where higher tariff barriers have in some cases actually raised the cost of goods and for the most part have offset to a large degree any decrease in the final price of the article itself. Another example is fine-grade men's shoes where imported leathers are used. Raw material costs in this case have increased substantially due to higher tariffs and sales tax, with the result that even with very considerably low prices for hides it has been found difficult to get much reduction in the finished product where imported leathers are used to any extent.

Up 70 Per Cent Here

The experience of one of the largest makers of custom-built shoes in Canada is a case in point, for where imported leathers are used, costs have increased by 70 per cent in addition to which a higher sales tax must be paid. Accordingly it has been with difficulty that prices of these shoes have been cut 50 cents to $1 a pair, since overhead, taxes and wages have showed little or no change. What has been done however is to introduce an entirely new line of shoes using Canadian leather, which retail at $10.50 a pair—a price considerably lower than anything previously handled by this company.

Just here it may be mentioned that the head of this concern along with many other merchants, warns against the supposition that prices will go lower. On the contrary only a few weeks ago this company was informed of a 20 to 30 per cent increase in the price of raw hides in the oversea markets where it buys most of its leather. In other words they are convinced that once the raw material markets strengthen and start to show an upward price movement, they will have to raise the price of shoes unless taxes, tariffs and overhead costs take a substantial tumble in the meantime.

Men's Clothing Surveyed

Men's clothing is a field where a dollar is now doing the work of $1.15 a year ago and is probably a field where price fluctuation show the widest variance as between different localities, different stores, and different types of merchandise. On the whole, however, the average price of winter overcoats is said to be $10 to $15 less than a year ago while on slow moving, expensive lines the differential is even larger in favor of the customer. In suits every avenue is being explored by enterprising retailers to reduce the cost to the customer, a typical instance being one large organization which has cut the price of tailor-made suits by $10 through eliminating a "try-on" which would otherwise increase costs.

Here again many merchants tell us that on a great many lines such as imported hose and so forth current cost prices are higher now than they were a few months ago, which leads to the belief that prices to the consumer will tend to stiffen rather than decline.

The main Toronto store of Robert Simpson Co. finds that retail prices generally are 14 per cent below what they were a year ago the biggest declines being in food and furniture. A check-up by the mail order branch of the same firm reveals that furniture prices are down approximately 25 per cent from a year ago, that children's and women's coats are lower by one-third. Other comparative prices submitted to us for publication are as follows:

Article	1929 $	1930 $	1931 $
All silk flat crepe, yard	2.25	1.69	1.15
Fugi silk, yard	.52	.50	.35
Cotton broadcloth, yard	.24	.18	.16
Factory cotton (1 yard wide, 10 yards	1.35	1.25	.89
Sheeting (unbleached) 10 yards	3.75	3.45	2.85
Quilt	2.19	1.95	1.74
Ladies' eiderdown bathrobe	3.98	2.98	1.98
Broadcloth slip	.69	.59	.49
Child's sleeper, flannelette, fleece-lined	.98	.89	.69
Scotch knit all wool combination	2.25	2.19	1.98
Fleece-lined men's combination	1.69	1.57	1.49
Wool Cardigan	1.98	1.89	1.69
Strong blue chambray work shirt	1.00	.89	.75
Broadcloth coat—Thibetine fur trim*	27.50	25.00	19.50
All wool jersey dress	4.98	3.85	2.98
Scotch fingering yarn, 1 pound	1.15	1.10	1.00
Community Plate			
Teaspoons, ½ dozen	8.50	8.50	7.50
Sewing thread, 1 dozen	1.05	1.05	.93
Women's rubbers†	.65	.65	.49
Women's four buckle overshoe†	2.49	2.49	1.95
Men's work boot	2.99	2.85	2.55

*Each year same quality coat, same fur trim by same manufacturer.

†In the case of the above rubbers and shoes, the price in 1929 being the same as 1930, this is due to the fact that the retail price declined rapidly in 1928, remained about the same for 12 months and declined slightly again in 1931.

Hotels Plan Xmas Meals Elaborately

Restaurants Cater to Large Crowds on Holiday

Hotels and restaurants will be busy in serving many Christmas dinners this year. Hard times have necessitated the release of the cook from many a household; the absence of that individual makes the housewife's heart grow fonder of a meal which entails no labor of any kind. On the other hand, there are many who always prefer to have their Christmas dinner "downtown" a practice which has grown considerably in recent years.

The reason is easily seen. Hotels and restaurants have encourgaed the movement by the excellent standard of fare and entertainment which they now provide, and an increasing number of persons feel that it is wiser to eat their dinners in comfort rather than risk a burnt turkey and a rocky plum pudding in the seclusion of their own homes.

High Standard Maintained

Feeding the public has become a highly specialized business on this continent. The rural beauty of the small inn in Europe is all very well but many a good Canadian has longed for a business like cafeteria as he toys with poorly cooked and tardily served food in some noted 16th century hostelry abroad.

Food and Christmas are inextricably mingled in the minds of all. Why this should be so is difficult to divine but the fact remains that the magic words "Christmas dinner" plays a large part in holiday festivities. To enjoy Christmas a good dinner is essential and a good Christmas dinner is not hard to find in these days.

Many a transient, far from home and in a strange city, has found his Christmas thoroughly enjoyable through the hospitality of his hotel or a good restaurant. Those who accuse large corporations of being heartless should spend Christmas on a crack train or on a liner in mid-ocean. There all the rites of the season are strictly observed, culminating in the dinner which seems to embody the spirit of the holiday.

See what the hotels and restaurants have to offer you for Christmas this year, before you make your final plans. Many domestic problems can be solved in this manner and many a man has been relieved as he pushed back his chair to think that there are actually no dishes to wash.

Contest for Control Of Dom. Royalty Corp.

Promoter of Company and French Director Seek to Oust Directorate at Annual Meeting, December 17—Directors Make Counter-Charges

At the annual meeting of Dominion Royalty Corp. on December 17 in the King Edward Hotel, Toronto, there will be a sharp contest for control between the management and present directorate of the corporation on the one hand, and on the other Paul Balbaud of Paris, France, a director of the company, and W. C. Goffatt, chiefly instrumental in promotion of the company. Proxies are being sought by both parties from Class "A" shareholders, and accompanying letters deal out harsh criticism to opponents.

The disagreement appears to rise out of the refusal of present directors of the company to sign a division order which has to be signed by all interested parties in Oklahoma before any pipe line company will pay over money for oil runs.

Dominion Royalty Corp. paid the sum of $60,000 for an undivided one-fourth interest in block 12, Eckroat Addition, and block "A" Weesner's Addition, Oklahoma City, Oklahoma, which entitles the company to three-sixteenths of the total production of the well, less one-quarter of the operating expenses. Paul Balbaud claims that Franco-Canadian Royalties, Inc., (Paris, France) purchased at the same time one-half of the same lease for $120,000 and agreed to pay one-half of the operating expenses. A well was drilled which came into production March 11, 1931, with a reported potential flow of more than 38,000 barrels of oil and 40,000,000 cu. ft. of gas daily.

Will Not Sign Division Order

The directors, states Mr. Balbaud, originally agreed to purchase one-half of the lease, but later were unable to take more than one-fourth, thereby forcing Mr. Goffatt to furnish the extra funds necessary to carry through the contract and save the lease. When the lease was secured in October, 1930, oil was $1.07 per barrel, but when the well came into production the price of oil was falling until it reached the low price of 22c. per barrel on July 8, 1931. Proration in Oklahoma was fixed for this well at 34,234 barrels of oil per month.

The courts in Oklahoma at the suit of Franco-Dominion Development Corp. had placed the company's interest in the hands of a receiver to sign the division order and to pay Dominion's share of operating costs.

Allege Syndicate Over-paid

Since the action against Dominion Royalty Co. in the Oklahoma court, a writ was issued in Ontario by the officers of Dominion Royalty Corp. for $60,000 against W. C. Goffatt, seeking to set aside the purchase of the lease.

On behalf of the company, Walker Holborn, C. N. Greenwood, D. Maynard, H. T. Foster, Chas. Duncan and Howard Windsor state that these directors assumed office on October 31, 1930. They stated that before that the company had already taken over from the Dominion Royalty Syndicate under a number of agreements royalty contracts and other assets of the syndicate, which had been promoted and organized by W. C. Goffatt, who now appears with Paul Balbaud in active opposition to the directors. Certain assets were taken over from the syndicate in royalties, in leases and in office furniture "aggregating a sum very much less than the consideration handed over to the Syndicate in the form of first mortgage gold bonds of the corporation to the amount of $500,000, 1,000,000 shares of class "A" stock valued per agreement at 10 cents per share and 2,499,993 shares of class "B" stock, all of the class "B" shares under the agreement being valued at the nominal sum of $1.00."

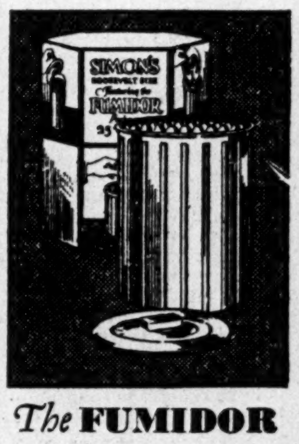
Agreements Non-Effective

The directors of Dominion Royalty Corp. further state that the difference between what the company received and the syndicate received at the nominal values placed upon the shares, was an intangible asset referred to as "undertaking and goodwill". This intangible asset was apparently "the value attached to agreements with W. C. Goffatt and certain of his numerous companies, whereby the agents were to sell gold bonds and shares of the company and act as buying agents in connection with royalties and leases."

"These agreements," say the directors in a letter of November 14, 1931, "have been found visionary and non-effective to an amazing degree, nevertheless the corporation has out of its limited income paid interest upon the $500,000 of gold bonds issued to the syndicate to the extent of $60,000."

The directors further affirm that an attempt was being made to "foist upon them a one-quarter ownership in the well with all its attendant costs and expenses and only a three-sixteenths interest in the production of oil and gas." They were also informed, "by degrees," that the Oklahoma City Council required the deposit of a cash bond of $200,000 of which $50,000 was required from Dominion Royalties Corp.

Especially at Xmas



The FUMIDOR

Keeps cigars fresh. Contains 25 of the 15c size SIMON'S Roosevelt cigars. Can be used as an Ash Tray and Match Holder, or Ash Receiver. No extra charge for Fumidor.

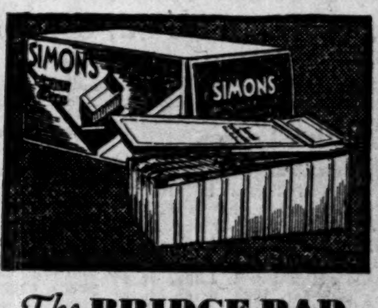
SIMON'S HAVANA CIGARS

THIS Christmas give your friends and customers a box of SIMON'S Cigars. The name SIMON'S carries real prestige with cigar smokers. It stands for satisfaction-giving quality unexcelled. A box this Christmas will convey your greetings and is sure to be appreciated.

The ACE

The popular 10c size SIMON'S Ace is available in attractively packaged boxes of 25 cigars.

¶ And, of course, our complete line of sizes can be had in special Christmas packages at no extra charge.

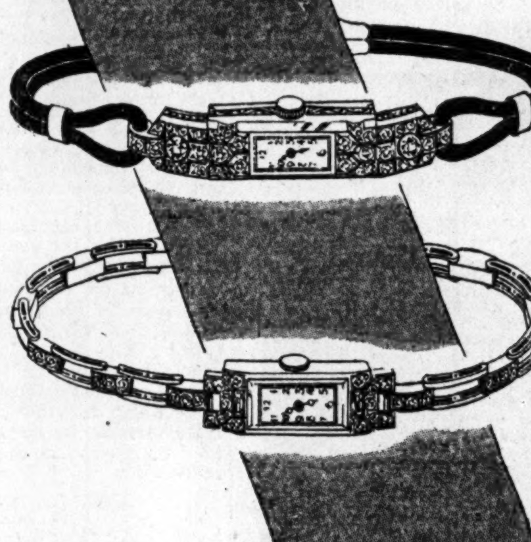


The BRIDGE PAD

Contains 25 of the 2 for 25c size SIMON'S Banquet cigars. Makes a smart desk or bridge pad. A useful gift at no extra charge.

SIMON'S HAVANA CIGARS

The Jewel Shop



Diamond Set Watches

Of superb beauty of jewels and workmanship

Just the type that a woman would choose for her own Christmas present — Jewel Shop diamond set watches are of platinum, set with full cut diamonds. As illustrated, two distinctive designs — Above, $325.00; Below, $400.00.

Main Floor, Yonge and Albert Streets.

THE T. EATON CO LIMITED

A Real Merry Christmas For Lovers of Books

Our Book Department presents unlimited scope in the choice of modern literature, old editions, fine bindings, autobiography and belles lettres, the classics, poetry and the drama.

Among this Christmas' popular selections are numbered:

Scaramouche, the King Maker, Sabatini 2.50
Simple Peter Cradd, E. Phillips Oppenheim 2.25
Broome Stages, Clemence Dane 3.00
The Rock and the River, Ralph Connor 2.25
If I Were You, P. G. Wodehouse 2.25
Lord Rosebery, the Marquess of Crewe, K.G. 2 volumes. 12.50
The Duke, Philip Guedalla... 5.00
Clifford Sifton in Relation to His Times, John W. Dafoe 3.00
The Unknown War, the Rt. Hon. Winston S. Churchill 6.00
The Work, Wealth and Happiness of Mankind, H. G. Wells, 2 vols. 7.50
Contract Bridge Blue Book, Ely Culbertson 2.50
The Official System of Contract Bridge 1.50
Culbertson's Summary of Contract Bridge 1.10

THE T. EATON CO LIMITED

Eaton's Main Floor, James and Albert Streets.
Also obtainable at EATON'S—College Street

Christmas Hint: Don't Leave it All to St. Nicholas

Dainty Rings for Dainty Fingers

Generations of gallant men have paid courtly tribute to fair fingers by gifts of Rings.

We know several ladies who have looked quite longingly at this charming diamond ring the past few weeks,—what a welcome gift it would make. Set in a platinum mounting with two triangular diamonds and four small diamonds—
$500

At a glance one would judge this diamond ring to be worth more than one hundred dollars. White gold mounting with two small diamonds in shoulders—
$100

Here is a Ryrie-Birks diamond set in a white gold mounting with two small diamonds in the shoulders. The quality, of course, is the finest—
$150

Pouring tea or dealing at contract will be a delight to the hand that wears this radiant diamond ring with its six small diamonds set in the shoulders. The setting is white gold—
$200

This beautiful diamond ring features a Ryrie-Birks diamond set in platinum, with four round claws. There are six small diamonds in the mounting—
$300

RYRIE BIRKS
LIMITED
DIAMOND MERCHANTS & SILVERSMITHS
YONGE AND TEMPERANCE
TORONTO

Give
ELECTRICAL
GIFTS
to The Home

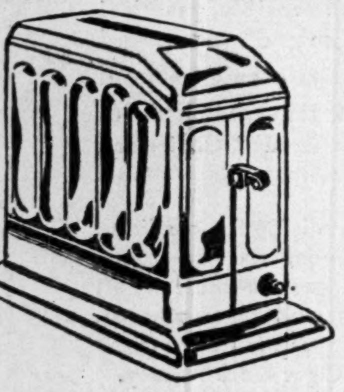
The genuine usefulness and handsome appearance of modern electrical appliances make them highly appreciated Christmas gifts.

ELECTRIC COFFEE PERCOLATOR

A splendid gift to the home. Makes coffee taste just right. Handsome indeed. The Electric Coffee Percolator shown, $9.50, $2.00 down.

ELECTRIC WAFFLE IRON

It's easy to make many kinds of tasty waffles with this Electric Waffle Iron. From $10.00 up, $2.00 down.



AUTOMATIC ELECTRIC TOASTER

Toasts both sides of the bread at once. "Shuts off" the current when toast is made. $17.00, $2.00 down.

These electrical appliances and many others may be purchased by Toronto Hydro-Electric consumers on easy terms.

TORONTO
HYDRO-ELECTRIC SHOPS
Yonge St. at Shuter 12 Adelaide St. E.
Telephone ADelaide 2261
Open Saturday afternoons before Christmas until 5 p.m.

Grand Pianos Sell Quickly In Short Sale

Musical Appreciation and Desire for Instruments Show Increase

What greater pleasure could be given to a music-lover than to receive the gift of a grand piano, a violoncello, a violin, a harp or some other of the musical instruments which he knows and can play.

The radio and the phonograph, in spite of remarkable development in recent years, have not driven out the piano or a single musical instrument. They are increasing musical appreciation and the fear that "canned music" would lead young people to eschew music as a vocation or delight is not apparently altogether justified.

Only recently in Toronto a large departmental store put on a sale of grand pianos. The sale was well advertised and on the day of the sale pianos worth more than $100,000 were sold inside five hours. That was probably the largest public sale of the kind in Canada. In a time of lower business volume that indicates that the depression has by no means curbed people's desire for music and to become proficient on some instrument.

Music has always had a large place in the celebration of Christmas. In every church it is on that day the main part of the service. It is heard from orchestras in hotels and theatres. The gift of a musical instrument has therefore special appropriateness in line with the traditions of the festival.

TRUCK PROBLEM WAITS ON ROYAL COMMISSION

(Continued from page 13)

tion expert in Canada, namely Professor W. T. Jackman, of Toronto University.

From these it was seen that about the only active move made on the part of Canadian railways in this matter so far has been a slashing of express rates between certain points to offer door-to-door service at a cost comparable to the costs of trucking companies. However all interests seemed unanimous in their desire to see proper regulation and taxation of trucks and a proper coordination of services to utilize to a far greater extent the advantages of each field of transport. (Considerable amazement on the part of students of this problem is frequently heard as to why Canadian railways have not been more quick to utilize, already, the advantages of the highway in the business of transportation.)

Fees and Taxes Computed

Finally an estimate of the various fees and taxes charged for private and common carrier trucks was made to give some definite data as to what was being done at the present time towards taxation of motor vehicles in Canada. It was found that the average heavy truck was taxed $321 annually to which an additional $68 was added if the truck operated as a common carrier, while for light trucks the average fee was $146 plus $27 for common carriers. New Brunswick was found to charge the highest rate and P. E. I. the lowest.

Since that time Ontario has announced an upward revision in license fees for 1932 and most provinces are planning either revised license or a higher gasoline tax (or both) for the coming year.

Are Trucks Adequately Taxed?

In the matter of truck taxation and its part in relation to highway costs, undoubtedly the majority of discussion centres around the question as to whether or not trucks are adequately taxed for the privilege of using the highway. In answer it is safe to say that few, if any officials, responsible for settling this question in the various provinces in Canada, know what is a truly equitable tax for different types of vehicle. This is a vital problem upon which it is to be hoped the Royal Commission will throw some light—at least indirectly.

One thing is definite, however, namely that in 1930, according to figures compiled by the Citizens Research Bureau from various provinces, the actual proportion which funds contributed by motorists bore to total expenditures on provincial highways was 77.2 per cent. That is to say for every dollar the provinces spent on current highways expenditures (including debt charges), in 1930, motorists contributed 77 cents and general taxes the remaining 23 cents. This only the dominion average, the proportion by provinces varying from a low of 55 cents on the dollar paid in New Brunswick, to a high point in Alberta where last year motorists paid $1.34 in taxes for every dollar spent on highways.

One factor of error which crops up here is the adequacy or rather the inadequacy of most provincial sinking funds to retire this highway debt during the life of the road. Ontario highway sinking funds are estimated for instance on the basis of a twenty-year life for the roadway. If this yardstick is applied to the debt charges of all the provinces the motorist is found to be paying only 72 cents on the dollar instead of 77 cents.

Two Big Problems

Accordingly it seems obvious that a vital angle of the major problem of truck taxation, which must be solved, is as to whether or not this ratio of 75 cents on the dollar as the motorists' share of highway costs, is correct, or whethere it is too large or too small. The second angle to be studied is as to how the motorist's share of highway costs is to be apportioned between the various types of highway users such as private passenger cars, private and commercial trucks and public commercial vehicles. This is of equally vital importance and is a question to which no satisfactory answer has been made in Canada as yet.

We are still working on the old trial and error system, and perhaps after all it may be the best system if by it, it can be satisfactorily proved that each group is being charged his or her fair share of the highway cost.

The other major problem—and here again it is to be hoped that the Royal Commission will be able to offer a wise and helpful solution—is as to how co-operation between trucks and other existing forms of transportation can best be attained to the mutual benefit of the public and various interests concerned. This angle of the situation includes of course the proper regulation of trucks and other forms of transport.

Professor Jackman in an earlier article stated his belief that the ideal solution is that railways should take over the public commercial trucking of the country and run the business under a similar sort of utility franchise which they now hold on the rails. Mr. Deasy of the Philadelphia Railway, one of the leaders in this field in the United States outlined reasons for his belief that a combination rail and truck proposition with convertible truck bodies which will travel either on flatcars or motor trucks was the best solution in his particular case.

Certainly all interests are agreed that some sort of co-operation and co-ordination together with proper and adequate taxation and regulation, is desirable, and we in Canada may perhaps (even at this early stage in the proceedings) congratulate ourselves that an able, independent commission is about to tackle this phase of our transportation problem and seek from a national and purely disinterested viewpoint its solution.

A Christmas Dictionary

Christmas—The festival of the Christmas church observed annually in memory of the birth of Christ. The festival properly begins with the evening of December 24 called **Christmas Eve** and continues until Epiphany on January 6, the whole period being called **Christmas-tide** or **Yule-tide**, but it is more particularly observed on December 25, which is called **Christmas Day** or simply Christmas, and which is generally observed throughout Christendom by religious services, by public and social festivities, by the interchange of gifts between relatives and friends and by the distribution of food and clothing among the poor. In most Christian communities Christmas is a legal holiday.

Christmas box was originally a money-box with a slit through which coin could be dropped. It was carried by prentices, porters and others at Christmas-time for the reception of presents or money; hence, a Christmas gift, especially of money, but also meaning a box of presents at Christmas.

Christmas card—A card variously ornamented with designs plain or colored, sent as a token of remembrance at Christmas and usually bearing a Christmas legend or words of Christmas greeting.

Christmas Carol—A carol suitable for Christmas; a song or hymn sung in celebration of the nativity of Christ.

Christmas log, yule log, yule clog or Christmas block—A large log of wood which was laid in olden times to form the back log of the fire at Christmas time. Burning of yule log is ancient Christmas ceremony transmitted to us from Scandinavian ancestors whom at feast of Juùl at the Winter Solstice kindled huge bonfires in honor of their god Thor.

Christmas tree—A small evergreen tree or large branch upon which at Christmas, presents, ornaments and lights are hung as the occasion of a festal gathering.

Yule cake or Yule Dough—A cake made especially for Christmas time but also called **baby cake** because representing in shape a baby, probably the infant Christ.

Yule candle—A large candle used for light during the festivities of Christmas eve. In many places the exhaustion of the candle before the end of the evening was believed to portend ill luck, and any piece remaining was carefully preserved to be burnt out at the owner's likewake.

The **mistletoe**, used first by the Druids, now mingles with the evergreens at Christmas. It is a jointed, dichotomous shrub with sessile, oblong, entire leaves and small yellowish-green flowers, the whole forming a pendant bush which is covered in Winter with small white berries containing a glutinous substance. The mistletoe was consecrated to religious purposes by the ancient celtic nations of Europe and was held in peculiar veneration by the Druids, especially when found growing on the oak. Traces of this old superstitious regard for the mistletoe still survive as in the custom of kissing under it at Christmas.

The **holly** plant, whose leaves and berries are used to decorate houses and churches at Christmas, has many varieties both in Europe and North America. This plant is a handsome evergreen and excellently adapted for hedges and fences since it bears clipping.

St. Nicholas or **Santa Claus**, who was Bishop of Myra in Lycia at the time of Diocletian, was persecuted, tortured for the faith and imprisoned until the time of Constantine and was present at the Council of Nicaea. He was honored by the Greeks and Latins on December 6. Most accounts of him are of a purely legendary character. There are nearly 400 churches in England dedicated to St. Nicholas. Before the Revolution he was the patron Saint of Russia, the special protector of children, merchants, scholars and sailors, and is invoked by travelers against robbers. There is a legend to the effect that he secretly bestowed dowries upon the daughters of an impoverished citizen to allow them to get married and avoid a shameful fate which otherwise awaited them, and this is said to have started the old custom of giving gifts on the eve of St. Nicholas, subsequently transferred to Christmas day. Santa Claus is an American corruption of the Dutch word, "San Nicolaas," which they heard used by the early Dutch colonists.

Hanging up the stocking of the children on Christmas Eve by the chimney is an old custom. The children think that Santa Claus comes in a sleigh drawn by swift-flying reindeer and accompanied by the jingling of bells, and that then he descends through the chimney. The stockings are filled with oranges, nuts, raisins, small toys and others are placed on the Christmas tree.

Christmas foods traditionally are the goose or turkey, plum pudding which should be on fire when brought into the room, sucking pig, Christmas beef, nuts, raisins and candies, cranberry sauce, roasted chestnuts, pickled pork. The goose was formerly used almost exclusively but within a generation the turkey has almost supplanted it showing that moderns are in process of contributing as much to Christmas as their progenitors did.

CHRISTMAS GIFT SUGGESTIONS

Cigarettes — In Special Christmas Packages

All these brands are nationally known, of unquestionable merit and always give the utmost in satisfaction and enjoyment.

	TINS OF 50	TINS OF 100
WINCHESTER CIGARETTES	60c	$1.20
	4 packs of 20 each	$1.00
TURRET CIGARETTES	60c	$1.20
DIXIE CIGARETTES	60c	$1.20
PLAYER'S CIGARETTES	85c	$1.70

Tobaccos — In Attractive Christmas Wrappings

Choose any of these tobaccos . . . they will satisfy the smoker who is a keen judge of tobacco.

	PRICE	PACKED IN
OLD CHUM TOBACCO	85c	½ pound tins
OLD CHUM FINE CUT	85c	½ pound tins
TURRET PIPE TOBACCO	80c	½ pound tins
PICCADILLY SMOKING MIXTURE	$1.50	½ pound glass jars
PICOBAC SMOKING TOBACCO	75c	½ pound tins

Cigars — In Attractive Christmas Packs and Boxes

Give any of these cigars . . . their proved merit is a guarantee that your Christmas present will be enjoyed.

WILSON'S BACHELOR CIGARS	10c each	(Packs of 10, Box of 25)
ROBERT BURNS INVINCIBLES	15c each	(Box of 25)
ROBERT BURNS PANETELAS	10c each	(Packs of 10, Box of 25)
LA PALINA LILIES	15c each	(Box of 25)
STONEWALL JACKSON	5c each	(Packs of 10, Box of 25)
ARABELA CIGARS	5c each	(Packs of 10, Box of 25)
COLUMBIA LITTLE CIGARS	4 Packs of 10	$1.00

Give
CIGARS, CIGARETTES and TOBACCOS
Tastefully Wrapped for the Holiday Season
IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

"Baby" Bonds for Christmas

THIS year, perhaps more than any other, your gift should be of a fairly practical nature.

The gift of a good bond is a constant reminder each interest date of the thoughtfulness and generosity of the donor.

Good bonds may be secured today in denominations of $100, $500 and $1,000 and odd amounts, with an interest return ranging from around 5.12% for Dominion of Canada Bonds to over 10% on some of the high grade Public Utility Bonds.

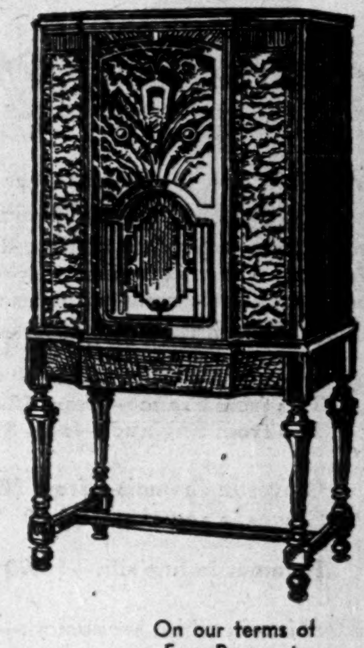
We would be glad to offer suitable suggestions if you will consult us.

H. R. BAIN & CO.
LIMITED
Investment Bankers
ATLAS BUILDING, TORONTO

DE FOREST CROSLEY RADIOS

An Ideal Gift for Your Family This Christmas

De Forest Crosley Radios are completely built of Canadian materials by Canadian labor. In 1930 there were more of these sets sold than any other make of radio.



The "Rhapsody" Model

An eight tube super-heterodyne with new autodyne first detector . . . two multi-mu tubes . . . image frequency rejector . . . full size dynamic speaker . . . complete range tone control . . . extra speaker terminals . . . complete shielding of integral parts . . . cabinet of highly figured maple and California walnut.

$129.50
Complete and installed to your aerial and ground.

A COMPLETE ILLUSTRATED CATALOGUE ON REQUEST.

On our terms of Easy Payments
$10 Cash and $6 Monthly

LINDSAY'S
C. W. LINDSAY & CO. LIMITED
PIANOS RADIOS ORGANS

Ottawa
Quebec
Three Rivers

Kingston
Cornwall
Brockville

HEAD OFFICE
1112 ST. CATHERINE STREET WEST
(JUST WEST OF PEEL)

6885 ST. HUBERT STREET (NEAR BELANGER)
580 ST. CATHERINE ST. E. (COR. ST. HUBERT)
4232 WELLINGTON STREET VERDUN
MONTREAL

Make This the Best Christmas Ever

Sharing Joy Aiding Needy Is Xmas Way

J. D. Rockefeller, World's Greatest Giver, Explains Ideas

HELP DISTRESSED

Family of Eight People Can be Given Excellent Christmas Dinner for $7.28

John D. Rockefeller, who has had more experience with giving systematically and on a large scale than any other man living, has this to say on the subject in his book, "Random Reminscences of Men and Events."

"The mere expenditure of money for things, so I am told by those who profess to know, soon palls upon one. The novelty of being able to purchase anything one wants soon passes, because what people most seek cannot be bought with money. These rich men we read about in the newspapers cannot get personal returns beyond a well-defined limit for their expenditure. They cannot gratify the pleasures of the palate beyond very moderate bounds, since they cannot purchase a good digestion; they cannot lavish very much money on fine raiment for themselves or their families without suffering from public ridicule; and in their homes they cannot go much beyond the comforts of the less wealthy without involving them in more pain than pleasure. As I study wealthy men, I can but see one way in which they can secure a real equivalent for money spent, and that is to cultivate a taste for giving where the money may produce an effect which may be a lasting gratification ....

"It would be the narrowest sort of view to take, and I think the meanest, to consider that good works consist chiefly in the outright giving of money.

Help by Expanding Industry

"The best philanthropy, the help that does the most good and the least harm, the help that nourishes civilization at its very root, that most widely disseminates health, righteousness and happiness, is not what is usually called charity. It is, in my judgment, the investment of effort or time or money, carefully considered with relation to the power of employing people at a remunerative wage, to expand and develop the resources at hand, and to give opportunity for progress and healthful labor where it did not exist before. No mere money-giving is comparable to this in its lasting and beneficial results . . . . I know of busy men of affairs who have followed out this large plan of developing work, not as a temporary matter, but as a permanent principle. These men have taken up doubtful enterprises and carried them through to success often at great risk, and in the face of great scepticism, not as a matter only of personal profit, but in the larger spirit of general uplift.

". . . . Probably the greatest single obstacle to the progress and happiness of the American people lies in the willingness of so many men to invest their time and money in multiplying competitive industries instead of opening up new fields, and putting their money into lines of industry and development that are needed. It requires a better type of mind to seek out and to support or to create the new than to follow the worn paths of accepted success."

Appeals to Kind Hearted

John D. Rockefeller was most struck by the fact that the very poor are probably the most generous people in the world. This sort of genuine service, he says, "makes the most princely gift from superabundance look insignificant indeed." Though he is against giving "which is usually called charity" if it pauperizes and leads the recipient to depend on such largess he feels that "to help the sick and distressed appeals to the kind-hearted always."

The far-sighted views which cause men like Rockefeller to endow research foundations and educational institutions on the ground that wealth so invested brings the greatest service in the end to all humanity do not shut out such special benefactions as neighborhood associations, societies, churches, settlements and others given to those who may be in want or close to the danger line. It will be hard for the man or woman who has well provided for his own Christmas to enjoy himself to the full if he has not tried to help some other not so well provided for. Various bodies are doing their best that none shall be forgotten on Christmas Day.

The Christmas Exchange, Neighborhood Workers Association, which list in Toronto the families, various churches, and social agencies are going to take care of, is appealing for funds for those who are left out. As similar work is being done in Toronto and elsewhere throughout Canada by others, it is interesting to see the cost for giving a real Christmas dinner to a family. This is what is put in the baskets:

	Family of 8		Family of 5	
Roasting beef	8 lbs.	$1.44	5 lbs.	$0.90
Butter	2 lbs.	.52	1½ lbs.	.39
Can. Cheese	1 lb.	.17	½ lb.	.09
Bacon (sliced)	1 lb.	.25	½ lb.	.15
Eggs (firsts)	1 doz.	.50	1 doz.	.50
Potatoes	2 pks.	.28	1½ pks.	.21
Carrots	8 lbs.	.10	8 lbs.	.10
Cabbage	1 head	.06	1 head	.06
Oranges	1 doz.	.25	½ doz.	.18
Sugar (gran.)	5 lbs.	.30	2 lbs.	.13
Ceylon B. tea	1 lb.	.39	½ lb.	.20
Macaroni	1 pkg.	.09	1 pkg.	.09
Molasses	1 tin	.10	1 tin	.10
Bread	2 loaves	.20	1 loaf	.10
Plum pudding	2 lbs.	.70	1 lb.	.35
Fruit loaf	1 lb.	.25	1 lb.	.25
Nuts (mixed)	1 lb.	.24	1 lb.	.24
Raisins (seedless)	1 lb.	.16	1 lb.	.16
Dates	2 lbs.	.20	2 lbs.	.20
Castile soap	2 cakes	.08	1 cake	.04
Milk tickets		.50		.50
Bread tickets		.50		
Total		$7.28		$4.89

If a chicken is substituted for the beef it will add fifty cents to the cost of the basket.

Imported Gifts

For a Man to Wear

You know how you appreciate any gift that's as useful as something to wear. Particularly when it comes from such a shop as Holt, Renfrew. Here are things smart, yet conservatively-styled, that are bound to suit the needs of the man that receives them. We've listed a few imported suggestions.

Ties from France—from $2.00
Ties from England—from $1.00

Gloves in chamois—from $2.50
Gloves in goatskin—$4.50

Pyjamas in fine silk—$5.00 and $8.50

Shirts in white broadcloth—$3.50
3 for $10.00

Hose from England—from $1.00

"Compare Values and Appreciate Holt, Renfrew's"

Holt, Renfrew
& Company Limited
Yonge at Adelaide — Toronto

Store Open Until 6 p.m. Every Night before Christmas—on Saturdays until 10 p.m.

Christmas Insurance Is Good Idea

Annuity and Education Policies Are Especially Suitable

Although we have never heard of insurance companies issuing special holly-covered policies for Christmas week, there's much common sense in the suggestion that business men include a $5,000 or $10,000 life insurance policy in their Christmas shopping list. Most policies come "cellophane wrapped" these days anyway, which adds to their attractiveness as an adjunct to the family Christmas tree.

Seriously, so many men have found in the last year or so that their insurance policies are proving to be the only investment which has maintained its "par" value and it is a perfectly logical step to tie such an investment up with the idea of Christmas.

There are many special types of policy which might offer particular attractions at this time of year, foremost among which might be mentioned the various annuity plans now being featured by many companies and which seem to fit in especially with the spirit of Christmas time. What more sensible or delightful surprise could be imagined for one's wife than the announcement that after her sixtieth birthday she would receive a monthly cheque for $100 or $200 as long as she lived?

Then there are various specific policies planned to look after the education of children and so forth which would certainly prove a happy addition to Christmas festivities or a father might well give his son for a Christmas box, the first premium on a policy with the idea of encouraging, on the part of his offspring, what would undoubtedly be a most excellent plan of thrift and investment for future years.

Mining News

CONIAURUM MINES EARNINGS AVERAGE $25,000 MONTHLY

Past Three Months Are Best in the History of the Company

In recent months Coniaurum Mines, now controlled by Ventures Ltd., has shown a gradual improvement in its production earnings, and currently is enjoying greater success than any time since reorganization.

For the three months, September, October and November, the average production was approximately 10,000 tons per month while the average recovery was $7.70 per ton yielding an average net profit of better than $25,000 per month, which includes all operating, deferred and construction expenses, but no charge for depreciation.

The company's fiscal year, ending December 31 next, will find it with an improved cash position, in spite of its development programme, and with its broken ore reserves between 20,000 and 25,000 tons greater than last year, or approximately 115.000 tons. In addition, the probable and possible ore is sufficient to operate the mill between two and three years.

J. Gordon Hardy, consulting engineer for the company, emphasized to The Financial Post that the property is essentially in its development stages and is cautiously carrying out its programme from production operations which show a small profit. Total production for the year will be close to $760,000, including premium.

While the grade of ore treated in the past three months has been higher than the average for the rest of the year, the premium on production has largely been responsible for the higher earnings shown. From the standpoint of total production, operating earnings and success in its development campaign, 1931 will be shown to be the company's best year. The winze sunk from the 2,000 ft. level to the 2,500 ft. level and the exploration of the two new levels at 2,250 ft. and 2,500 ft. has brought encouragement to ore possibilities at depth. The more intensive exploration of the No. 7 vein on the upper levels, however, has responded with some nice ore and particularly between the 700 ft. and the 1,750 ft. levels.

Northeast of the central part of the property, on what is known as the No. 2 vein system, considerable encouragement has been met with between the 525 and 700 ft. horizons. Here the ore has been traced to the 1,000 ft. level and will be followed to the deeper horizons.

Diamond drilling has been conducted from the 2,500 ft. level to a depth of 2,800 ft. level on the No. 7 vein system. At this depth the vein was shown to be 8 ft. in width and will come in for exploration at a later date.

As at December 31, last the company had current assets amounting to $287,880 and this year will see a modest increase in this account. Had the company the finances to permit, it might aggressively conduct the deep development programme and sink its main shaft from the 2,000 ft. level. Inasmuch as development work is limited by the profits from operations its exploration programme must necessarily be modest, but it is regarded as gratifying that in operations this year such progress has been made.

The company's mill, which has been averaging approximately 350 tons per day during the current year, is quite capable of being increased to 600 tons per day by the tuning up of present equipment, when ore development justifies it.

MERLAND MORTGAGE BEING LIQUIDATED

Advances By Stobie, Forlong Assets Now Reduced to $32,000

The advances to the Merland Oil Co. of Canada, by Stobie, Forlong Assets, Ltd., which stood at $50,000 plus accrued interest of $2,055 at April 30 last, will be reduced to $32,000 by the payment being made on December 15.

The first loan of $25,000 was made on May 8, 1930. On December 8, 1930, a similar loan was made. Early in May last $8,000 was paid off and on December 15 next $13,492 will be paid, which includes interest, leaving the total indebtedness at $32,000.

The money was advanced to finance the completion of No. 1 well which blew in last May with an initial flow of wet gas estimated at approximately 26,000,000 cu. ft. daily, producing 447 barrels of crude naphtha. Current production of around 180 barrels of crude naphtha is reducing the company's obligation, which, aside from its capital stock, is its total liability.

Potter Doal Prospecting Gold Claims

Potter Doal Mines has acquired a gold prospect in Munro township, east of Matheson, Ont., about three miles northeast of the Croesus mine, and has had a party doing preliminary prospecting to determine its potentialities.

The company was incorporated in 1927 to develop a copper prospect in the same area, and for a time was a shipper to the Noranda smelter. In 1928 it increased its capitalization in order to acquire the Warden property adjoining, at a cost of 1,250,000 shares. The property was operated for a time early in 1930 by a lessee.

At the time the company was promoted it is reported that there was an over subscription to the offering which netted the company close to $100,000. Since, its copper prospect has been closed down the company has been looking around for a gold prospect. The substantial amount of cash in the company's treasury has now dwindled however to the point that no conclusive development programme can be carried out. It is understood that about $10,000 remains in the company's treasury.

AJAX PRODUCTION SHOWS INCREASE

Oklahoma Output Currently Showing Good Volume; Gas Sales Light

Ajax Oil & Gas Co. has drilled 27 wells in Western Ontario and has 26 producers, according to F. L. Culver, president of the company. At the present time drilling operations are suspended owing to the mild season not making such heavy demands for gas.

In the Oklahoma field the company has two producing wells, each currently producing around 25,000 barrels monthly under the proration measure. The company has one-half interest in one of these wells and in the other seven-eighths interes. In addition, it has a well in the East Texas field from which a flow of 125 barrels a day is now being taken under the proration measures. In addition, the company is permitted to take a production of 35,000 barrels over a six months' period because the wells in Oklahoma were shut in for several weeks.

Both in the Texas and Oklahoma fields the proration measures are most unstable and the company does not know from day to day what new regulations may be invoked. It has to maintain its staff ready to take any production that is allowed, which materially adds to the normal cost of operations.

PAYMASTER MINES FINANCING FAILS

After Receiving $50,000 N.Y. Interests Withdraw; Debts Now Small

Shareholders of Paymaster Consolidated Mines are in receipt of official notification that the financial arrangement made last June with New York interests failed, after providing the company with approximately $50,000.

The $50,000 payment received was used to clear the current indebtedness of the company and the note liabilities were reduced to $34,675. These are not due until late in 1932.

Paymaster Consolidated has an authorized capitalization of $9,000,000 in $1 par value shares, of which 3,804,643 treasury shares were issued or are issuable to shareholders of the old companies involved in the merger. In midsummer 1931 New York interests optioned treasury shares and undertook to finance the company to the producing stage, but owing to financial conditions it has been impossible for them to live up to the terms of the option and the contract has now been cancelled.

The company is now offering 1,000,000 shares, to the present shareholders, at 30 cents each, in order to complete the programme planned

LOBLAW SALES UP; PROFITS IMPROVE

Meateterias Are Feature of New Stores; Plan Meets Favor

Sales of Loblaw Groceterias Co. in the four weeks ended November 14 are reported at $1,217,997 with profit of $82,374. Both of these figures are in excess of corresponding figures for previous periods in the current fiscal year. Sales were 9.97 per cent less than in the same period in 1930 and profits were down by 3.55 per cent.

In the 24 weeks of the current fiscal year total sales are shown at $6,807,324 or 12.16 per cent lower than the $7,749,912 shown in the corresponding period of 1930. Profit at $414,035 is only 5.81 per cent lower. A large proportion of the reduction in dollar volume of sales is accounted for by lower prices of commodities since until recently no new stores had been opened.

The company has recently opened two new stores in Toronto and will open another this week with other extensions planned. The meateteria plan of selling cellophane-wrapped ready-cut meats has been installed in four stores in Toronto and will be a feature of any new stores to be opened, while old stores will take on the new line as soon as possible. The service afforded is reported to have brought a most favorable response from customers in those stores in which it has been installed.

MINORITY GROUP OPPOSE NIPISSING

Committee Formed Which Objects to Company Financing Beattie

A minority group of Nipissing Mines shareholders in the vicinity of Hamilton has formed a committee to oppose officials of the company entering into the proposed agreement to finance the development of the Beattie property in Quebec.

A meeting is called for December 9, requesting Nipissing shareholders to approve of the company acquiring a 40 per cent interest in the Beattie property at a cost of $1,120,000

Acting committee officials are Wm. C. Patterson, Jamestown, N.Y.; Robert R. Simpson, Hamilton; Robert B. Harris, Bridgeburg and Hamilton, and Dr. F. R. Bennetto, Hamilton, secretary.

The committee has "unanimously decided that the pending scheme should not be carried on without the whole-hearted backing of shareholders, and it is hoped to demand further advice and proof that the Beattie-Ventures proposition is one of merit, and we will also try to have overhead expenditures curtailed, and, if possible, have dividends resumed."

Canada Supplies 3 p.c. of South African Imports

Canada's exports to South Africa constitute about three per cent of the total amount of goods imported by the Union, while goods from the U.S.A. have fallen to 14 per cent of the total, according to a report on South African trade recently issued by the H. M. senior trade commissioner at Cape Town

The outstanding feature in South African trade is the increase in the percentage of imports from the United Kingdom in 1930, which was maintained throughout the first quarter of 1931. This is chiefly due to the severe curtailment of imports from other countries, especially of agricultural machinery and fencing materials, mainly drawn from the U. S. A.

Main items imported from Canada are motor vehicles and parts and motor tires and tubes. Wheat and flour, newsprint, wrapping-paper and timber also figure largely.

Wholesale Price Index Made Small Rise in Nov.

Wholesale prices again advanced slightly in November, the index rising from 70.4 to 70.6 as computed by the Dominion Bureau of Statistics. This is the second consecutive month to show an increase, October being the first to do so since August, 1929, when the index stood at 98.4 .

Out of a total of 502 commodities included in the index, 336 remained unchanged, 70 were lower and 96 were higher. Among the classes going lower were fibres, textiles and textile products, animals and their products, wood products and paper, and iron and its products. Rises were noted in vegetable products, nonferrous metals and their products, and chemical and allied products.

at this time . . . 7000 executives

AT THIS time, the seven thousand Canadian business executives whom we have photographed are probably wondering what to give for Christmas remembrances.

WE SUGGEST that your business colleagues would appreciate nothing so much as an autographed portrait of yourself by way of greeting and as expressive of your thoughtfulness. The personal touch is achieved *par excellence,* your colleague has forever a reminder both of your friendship with himself and of your interest in his business.

For your colleagues, for your friends, for the family ...

Your Photograph

by BLANK & STOLLER, LTD.

4 Notre Dame Street East - - Montreal

Christmas and New Year Greetings

"Via Marconi"

TO FRIENDS OVERSEAS

CANADIAN MARCONI COMPANY

(LIMITED LIABILITY)

TELEGRAMS
"Via Marconi"
"Via Empiradio"
To Europe
Asia
Africa
Australia
India
South America
and Ships at Sea
Telegraphic Address
"Arcon" Montreal

RADIO APPARATUS
Manufacturers of Broadcast Transmitters
Radiotelephone and Radiotelegraph
Transmitters and Receivers
For Marine, Land and Aircraft Use.
Radio Direction Finding Equipment.
Marconi Radio Receiving Sets
R.V.C. Radiotrons
Contractors to Canadian and Newfoundland Governments

BRANCHES
Vancouver, B.C.
Toronto, Ont.
Halifax, N.S.
St. John's, Nfld.
World-wide Affiliations

Radio Broadcasting Studio — CFCF
Head Office - Marconi Bldg. - MONTREAL

"While Waiting for a Street Car ...you can do your Christmas Shopping"

". . . "AT the busy corners of the streets you will find our clean, conveniently arranged stores fully stocked with Christmas gifts for men and women ... the places where thousands come to do sensible Christmas shopping .. and, where every one gets just what they ASK for without any attempt at substitution.

"Drop into any United Cigar Store while waiting for your street car and ask the salesman to make suggestions for those of your friends, relatives, or customers for whom you wish a Christmas gift ... he will gladly suggest a variety of gifts for every type of person ... sensible, practical things that they will like and use ... and with this courtesy and convenience goes speed of service which takes but little of your time to make the needed Christmas purchases."

UNITED CIGAR STORES LIMITED

Fresh goods, always in perfect condition—standard prices—quick service—courtesy—convenient locations—these are all yours when you buy cigarettes, tobacco, cigars and sundries at any United Cigar Store or United Cigar Store Agency.

UNITED CIGAR STORES LIMITED